

CURRENT HISTORY



SEARCH OF PEACE

by Hilda Chamberlain

ORGANIZING AMERICA

RAILROADS IN THE RED

ON THE SPOT

ARGENTINA VS. THE U. S.

George M. DeLoach

by Hilda Chamberlain



MILITARY OBJECTIVE!

TIME was when the only part children were allowed to play in war was to give up certain food their little bodies needed so that the troops could have it.

That was in the unenlightened days before airplanes and delayed-fuse bombs.

Now the kiddies are permitted to die just like their daddies. Today they are *military objectives* to be blown to bits by bombs, to be buried in the ruins of their schools, to be raked by machine-gun fire as they cling to their mothers' skirts.

Thus, the world progresses. Thus, the science of mass-production mur-

der becomes more proficient. Thus, war loses its last vestige of so-called "glamour."

With slaughter of these innocents an admitted part of military strategy, war can no longer be condoned by any sane and decent person. Yet many people still shake their heads hopelessly and say: "What can I do? How can I prevent war?"

Next time you tuck your youngster into his crib look at him and see if your heart will accept such a defeatist attitude. Rather, accept this truth—that if enough people say: "There must be no more war!", there *will* be no more war!

World Peaceways is a non-profit, non-crank organization that has made definite progress in maintaining peace and is determined to do more. We need help—*your* help. Why not sit down right now and drop us a line?

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WORLD
PEACEWAYS**

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The World Today in Books

NORMAN COUSINS

SHORTLY before Christmas 1934, a tall, fair-haired young man walked into the New York offices of a prominent publisher. He announced himself as John Gunther, London correspondent of *The Chicago Daily News*, and said he had come in response to an invitation from the president of the firm. A few minutes later, Cass Canfield, president of Harper & Brothers, and John Gunther were on their way to lunch.

Out of that meeting grew a book that has influenced publishing concepts of books dealing with world affairs. It was called *Inside Europe*. Those who read it came away with the feeling they had seen Europe fluoroscoped.

John Gunther's *Inside Europe* made—indeed, continues to make—publishing history. No other book dealing with current affairs has ever approached its record. It has sold both here and abroad approximately 500,000 copies—about three hundred times the average book of its kind—and has grossed close to \$1,750,000. At the moment, and probably for a long time to come, John Gunther is and will be the most valuable non-fiction property in the world.

Inside Europe has been translated into French, Spanish, Dutch, German, Norwegian, Swedish, Hungarian and Finnish, has been published in fourteen countries, banned by

three—Germany, Italy, Yugoslavia—and “pirated” by one—Chile, which simply published the book without authorization, arrangement, or even acknowledgement. It has provoked controversy and debate everywhere.

As a personality, John Gunther is even more interesting, perhaps, than many of the colorful people who parade through his writings. Unlike most newspapermen, he actually looks the part. A movie executive told me that Gunther is Hollywood's idea of the perfect type for a foreign correspondent—interesting features, wit, clever, with a proper balance between sophistication and boyishness. He is strictly a Chicago product—was born, grew up, and was educated there. He is thirty-eight.

Gunther is an indefatigable worker. *Inside Europe* was written after working hours, on week-ends, and even during what foreign correspondents call their “holiday”—a vacation period in which they usually visit their native lands and stretch their busy fingers. Though Gunther has become a free-lance writer and no longer follows so arduous a routine, he continues to spend twelve to fifteen hours a day on his work. After he left *The Chicago Daily News* as a regular work-a-day correspondent, he set up a home in Connecticut, where he did most of his writing. But he felt he was “losing touch with

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Books Reviewed in This Issue

BOOK	AUTHOR	PUBLISHER	PRICE
<i>Inside Asia</i>	John Gunther	Harpers	\$3.50
<i>Bombs Bursting in Air</i>	George F. Eliot	Reynal & Hitchcock	1.75
<i>Who Are These Americans?</i>	Paul B. Sears	Macmillan (People's Library)	.60
<i>The March of Mind: A Short History of Science</i>	F. Sherwood Taylor	Macmillan	\$3.00
<i>Night Over England</i>	Eugene and Arlene Löhrke	Harrison-Hilton	2.00

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Stands still

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things," and several months ago moved to New York, where he now lives with his family in an apartment facing Central Park. Gunther does little or no work at home. His research and writing he does in an office which he rented in the midtown section of New York—close to Radio City—and he has hired a secretary, though he answers phone calls himself.

He has an active collaborator in all his work, Frances Gunther, his wife, a talented writer and an authority on world affairs in her own right, who acts as his editor and who carries a large share of the research and writing. Frances Gunther's epigrams were the sparkle of Viennese café society; she is perhaps the most consistently quoted person in her husband's writings. "Remove liberty from Germany," she remarked, "and you unite the country; remove liberty from France, and you have a revolution." Again: "No Austrian can be trusted to be a Nazi twenty-four hours a day. It takes too much energy." Once she posed the question, in referring to Madame Chiang Kai-shek: "Was this the face that launched a thousand airships?" About Generalissimo Chiang Kai-shek, a devout Christian, she quipped: "There is Methodism in his madness."

It is not generally known that John Gunther wrote three novels—all of them now out of print—before he tried his hand at history-in-the-making. His first novel, called *The Red Pavilion*, was published in 1927 and evoked somewhat of a minor storm in Chicago, locale of the story, among groups which felt Gunther was "too daring" in discussing the romantic affairs of a young couple. The other two novels were *Eden for One* and *Golden Fleece*.

ALL this is by way of introducing a new book by Gunther—the second of what may eventually be an "inside" series. It is called *Inside Asia*, though—as Gunther explains in a note—it might more properly be called *Outside Asia* since he was "outside, looking in," unlike his experience in Europe, where he worked within the coils and springs of the Continent for so many years. Precisely the same superlatives which greeted *Inside Europe*—and which, in all likelihood, have been used on few books since—should now greet its twin, *In-*

side Asia. For Asia has been Guntherized, with all the trimmings, and a great many people who all along never bothered to read news dispatches under Vladivostok, Manila, Delhi, Teheran, Chungking, Mukden and even Shanghai or Tokyo date-lines will suddenly become aware that a continent—and an important one at that—exists on the other side of the Pacific Ocean, that much of what happens there concerns us as vitally as do events on the other side of the Atlantic.

As in *Inside Europe*, John Gunther has constructed his story with personalities as the center, politics as the radii and events as the circumference. In giving so much attention to individuals, Gunther is, of course, broadening the appeal of his book. For most people are more interested in the personalities who do things than in the things they do. Yet even though a number of critics are certain to deplore what they may describe as an attempt to write for a large audience at the expense of a proper balance between events and event-makers, there is a strong case in favor of the Gunther ratio.

I asked John Gunther recently whether his emphasis on personalities grew out of a belief that, by and large, individuals helped shape events more than events helped shape them. He replied that he was no historian or philosopher—"just a newspaper reporter"—that he had never studied history in that particular light, that his sole interest was in getting the story, if a story was to be gotten. "But I will say this," he added, "I wrote *Inside Europe* out of the conviction that Europe was the prisoner of three men. I wanted people to know who these men were, how they lived, what they did, how they had managed to dominate Europe, what Europe thought of them and what they thought of each other. In so doing, it was necessary to broaden the picture and include other personalities and other events."

Inside Asia follows a similar pattern. Perhaps even more than Europe is the world's largest continent a prisoner. Asia has been fair game for all whose muscles were large enough to carry off her treasures. Fair game long before Japan decided that she, too, had the right to hoist a flag of imperialism in the Far East. "The history of modern Asia," says Gunther, "has been that of predatory western powers struggling among

themselves for the rich and prostrate body of the eastern continent. Geographically, Europe is an appendage of Asia. The appendage has wagged—and perhaps poisoned—the main body.”

To carry out the “prisoner” theme still further, Gunther says that Japan is shackled to Shinto, India to the Brahmans. In these two countries, he adds, the religious attitude leads to mysticism, while in China it leads to resignation; in India, Iraq, Syria and the Near East, to an intense sectarian struggle; and in Palestine, to murder.

From one end of the continent to the other Gunther ranges, finding drama and color, interviewing leading personalities, piecing together threads of events, reporting, analyzing, interpreting. His obvious aim was to dig into the essential, interesting things about a country, a people and its leaders, and describe them so as to make them as impressive, as alive, to his readers as they were to him. That he has managed to succeed is as much a tribute to his insatiable curiosity and desire to carve down to the real meat of matters as it is to his ability to write so colorfully.

Gunther finds that personalities in Asia are almost as important as in Europe. Almost every country, he points out, is dominated by a man. “What would contemporary China be without Chiang Kai-shek, India without Gandhi, the Philippines without Quezon, Arabia without Ibn Saud?”

His personality sketches—quite aside from their importance as current history—are really literary accomplishments. Impressions are clear, forceful, dramatic. Manuel Quezon is “elastic, electric”; Chiang Kai-shek is “shrewd, suspicious, calculating. . . . This delicately featured Chinese soldier is a bulldog.” Madame Chiang Kai-shek is “alert, amusing, smoothly polished, full of graceful small talk, and enormously efficient”; Mohandas Gandhi is “an incredible combination of Jesus Christ, Tammany Hall, and your father”; India’s next most important personality, Jawaharlal Nehru, Nationalist leader, is an “Indian who became a westerner—an aristocrat who became a Socialist—an individualist who became a great mass leader . . . hardly a dozen men alive write English as well as Nehru”; Reza Shah Pahlevi of Persia is “capricious and lacks sense of bal-

bylines

We would caution Americans against propaganda, oral or written, which seeks to turn any class or race or religious group against another—*Statement of the National Conference of Christians and Jews (See page 54).*

President Roosevelt’s order to buy Argentine beef was in effect that of a carpenter ordering a half-dozen nails from a wholesale hardware house—*Carleton Beals (See page 28).*

Already the dangerous idea is gaining credence that we [Republican Party] can elect anyone we nominate—*Alfred M. Landon.*

The colleges and universities must confess that their offerings are such as to drive their students to seek mental stimulation in gladiatorial combats, college life and the consumption of live fish—*President Robert Hutchins.*

No industry has experienced the same amount of pirating and skullduggery which have accompanied isolated cases of railroad development—*Charles W. Hurd (See page 24).*

Despite the ballyhoo, Garner, as a presidential candidate, is merely Landon with a sombrero—*Tom Meany in The New York World Telegram.*

No Austrian could be a Nazi twenty-four hours a day; it takes too much energy—*Mrs. John Gunther (See page 2).*

The human race is a collection of the most marvelous, ingenious and engaging idiots that ever got possession of a noble planet—*Walter Lippmann (See page 50).*

Complete independence for the Philippines now probably would mean servitude. They are unable to stand alone amidst the violent forces now loosed in the Far East. If the United States flag descends the result will be a bloody struggle for control—*Paul V. McNutt.*

Nobody in France wants war but everybody is ready to go if need be. Everyone is calm about it. That’s the most remarkable thing about the situation. Everyone is completely adjusted to going serenely if he has to—*Ambassador William C. Bullitt.*

It is not too much to say that if Jefferson were President today he would consent to run for a third term in order to defeat economic royalism or fascism—*Harold L. Ickes.*

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COVER PHOTOGRAPH FROM
HARRIS & EWING

Current History, Volume L, No. 5, July, 1939. Whole No. 296. Published monthly by C-H Publishing Corporation, 420 Madison Ave., New York, N. Y. J. Hilton Smyth, President; John T. Hackett, Vice-President; I. H. Williams, Secretary; E. Trevor Hill, Treasurer. John A. Curtis, Advertising Manager, 551 Fifth Avenue, New York, N. Y. 25c a copy; \$3 a year; two years \$5; three years \$7, in the United States, possessions, Canada, Central and South America and Spain; elsewhere \$1.25 a year additional. Subscribers should send change of address three weeks in advance. Indexed in the Readers’ Guide to Periodical Literature. Entered as second-class matter September 28, 1935, at the post-office at New York, N. Y., under the act of March 3, 1879. Additional entry at the postoffice at Springfield, Mass. Entered in Canada as second-class matter. Copyright, 1939, by C-H Publishing Corporation. Printed in U. S. A.

ance. . . . He builds a railway station before the tracks are laid"; Chaim Weizmann, Jewish Zionist leader, is "first of all a scientist, then a politician, but there is also a good deal of the artist in his nature."

The idea for *Inside Asia*, and very likely for a series of books on other continents, came not from Gunther's publishers but from his nine-year-old son, John, who told his father that it would be poor business if he didn't tell people about what was happening in Asia, too. But whether John Gunther will move on to the Americas for another "inside" book has not been announced by the publishers.

It is possible that *Inside Asia* may be criticized in certain quarters as insufficient in formal scholarship. It was never the intention of the author, however, to write a detailed, complete study of Asia—that would have required a library instead of a single work—but to construct a compact, useful guide of Asia's politics and personalities for the layman. His book must be evaluated therefore on the grounds of what it set out to do. And that it has accomplished its mission, no one can deny.

THE late James Harvey Robinson said in his *The Humanizing of Knowledge* that a great many people found books too dry, too forbidding. There was a great need, he added, for books which would be "humanized," made readable and therefore useful.

The People's Library, organized by the American Association for Adult Education with a grant from the Carnegie Corporation, and with the co-operation of the Macmillan Company, is an attempt to put Robinson's suggestions into practical operation. The Library, moreover, has attempted to eliminate another bar to book reading—prohibitive price. Accordingly, its books—bound in cloth—are being sold at approximately one-fifth the usual price.

Recently issued in the Library series is *Who Are These Americans?*, by Paul B. Sears, whose former books, *Deserts on the March* and *This Is Our World*, show he is excellently equipped to write about basic facts in America's development. In the present book, Mr. Sears simply and effectively tells the story of our land and the people who settled it. Though in the final analysis it might be called an interpretative history, it hardly suits the conventional definition of that term. There are no dates,

no attempt at historical sequence, no repetition of our major events, not even a reference to our national heroes. *Who Are These Americans?* has a broader function: it seeks to introduce Americans to each other and help them understand the complexity of their various natures, what their own role is and has been in the development of their country and what they can do to help develop it further.

This is the one type of oversimplification that even formalistic historians will endorse. For it is directed to an audience which might otherwise have remained uncertain and even ignorant of the widely diverse nature of America and its people.

THE *March of Mind: A Short History of Science*, by F. Sherwood Taylor, is a compact, well-knit, and well-organized account of the story of science and its leading figures from ancient times up to the present. Dr. Taylor makes no attempt to make a minute analysis of every single event in science's history; his purpose is to present through broad, interesting strokes the highlights of science for the average reader. His book is among the best of a number of short, popular histories of science which have appeared during the last few years.

Dr. Taylor tells the story of science largely by recording man's attitude to it through history. At the same time he shows science's relation to man at the various stages of its development. Scientific progress today, he says, has its manifestations in modern industrial civilization—a "complex machine depending on co-operation of a vast number of persons who are very imperfectly aware of the function they are performing, and may be quite indifferent to the welfare of any but themselves."

CAN it be that modern war is so terrible, so appalling, so efficient, that it may be a factor for peace? Now that no one can escape its fury

—not even government officials who were privileged comparative safety in previous wars—is it not likely that those whose power it is to declare wars might now exercise greater restraint? Further, since modern war represents a series of retaliatory measures—each of which is intended to be more destructive than the last—even aggressor nations must now anticipate receiving as good as they can give.

If you have been thinking along these lines, you will want to read *Bombs Bursting in Air*, by George Fielding Eliot, a sane, sensible military authority whose work is written neither in an ink of bias nor in the shadow of a grinding axe. Major Eliot examines the main aspect of modern warfare that distinguishes it from the old—death from the sky—and says that the cost of conflict has become so great that even nations with superior military strength have become extremely reluctant to gamble on the consequences.

But what about the mountain of armaments that man has been building all these years? What is their function if they are not going to be utilized in direct combat? Their function, says Major Eliot—and he points to Germany as Exhibit A—is to provide the threat behind another way of exacting their pounds of flesh—blackmail.

"Can Germany afford a gamble in which she throws on the gaming boards all that her present rulers have gained, all the fruits of years of effort, in the hope of winning a military victory which even if won may prove but fleeting and illusory in its benefits? . . . The masters of Germany are not fools. Why should they take the risks of war, and undergo the strains which it will impose upon their none-too-assured economic and social structure, while they have a better and safer method of achieving their objectives?" Thus the threat of war—or international blackmail—may dominate, or attempt to dominate, the world.

Suppose blackmail should fail? Suppose forces are set in motion—as, indeed, they seem to be today—from which the world cannot free itself? Suppose even the rulers are unable to halt the headlong plunge into open conflict? What if war should come?

Assuming the lineup will be the same as it is now—British and French leading the bloc against the



totalitarian combine—Major Eliot says Mr. Hitler's chief hope of victory is by lightning blow. Since lightning blow today means one thing—large-scale bombing attacks—this naturally raises the question of the vulnerability of large cities, such as London and Paris, to air raids.

It is here that Major Eliot's book is of particular value and importance. For he provides a clear, reasonable discussion of the part aircraft may play in the next war. He discounts, on the one hand, the extravagant claims made on behalf of the modern fighting plane—that it can completely destroy cities and win any war; on the other hand, he thinks it foolish to underestimate the potency of an air attack. His middle ground is the bombing of cities can be highly destructive—allowing for important factors which are essential to any attack—but that it is by no means conclusive. Indeed, it still remains a weapon of uncertain value and untried possibilities—the Spanish War notwithstanding. Its greatest effectiveness may be in the psychological field.

There is a lot more to bombing a city than merely flying over it and releasing the proper lever. Factors are both numerous and complex. And thanks to Major Eliot, they are no longer complicated, for his book is the clearest exposition yet to come forward on this subject. Not only is it written by an expert; it is expertly written. Straightforward, concise, *Bombs Bursting in Air* is a valuable handbook and guide to air power in the next war.

FOR a number of years the historians have been applying their stethoscopes to the heart of Great Britain in an effort to determine whether one of the great dramas of history—the crumbling of empire—was unfolding. There were indications, some surface, others substantial, that the greatest empire since Rome had passed its peak and was moving downward—imperceptibly perhaps but nevertheless downward—and that in our own lifetime we might witness its dissolution.

Eugene and Arlene Löhrke are not professional historians; yet they are perhaps even better qualified—suited would be a better word—than the historians to detect essential trends, to chart directions. For they are persons who, it is clear from their *Night Over England*, have combined a love

of the real England with a remarkable perception and understanding of Britain's inner self. They have lived in Sussex, they have been able to feel the things Englishmen feel when they talk about their countryside; they are aware—as English people might be aware—of the true significance of English accomplishments in art, in letters, in science, in industry. They liked the way the English had no desire to challenge time and space. They liked the way time was found for everything, for work, for leisure, for thinking. They liked the English reverence for the soil. They liked the lack of helter-skelter ambition—people got ahead through brains and hard work, not through their elbows. They liked the "comfortable feeling that the English have about England, much the same attitude, in times of peace, that men used to have toward warm slippers and a pipe." And—this was one of the reasons they had gone to England—they were attracted by the light thrown out all over the world from a speck of island.

But now they fear that that light—particularly in the last year or two—has begun to dim. "It seemed to us as though the England that had once achieved the dimensions of an empire and an almost irresistible force in the world had now shriveled and shrunk, or was shriveling and shrinking, to what England had been before the time of growth—an island, a small island cut off from the world. The hand that gripped her, and they were old hands, were not pushing England forward but reining her back. . . ."

Whether recent shifts in British policy—made since the book was written—have changed the authors' feelings about England's decline is difficult to say. After Munich, they sensed that the government had "bartered away cheaply the only spirit that had ever kept England or another nation alive and a living force in the world."

And yet there is still hope. A hope they thought they saw in the heart and core of England—"strong and resolute, gazing up from the furrows and workshops, more stubborn even than the black terrors of September, determined that England should live."

Direct quotation is the only way in which the literary flavor of *Night Over England* can best be described. For it has a warmth and flavor not generally found in non-fiction in the field of world affairs.

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JOHN GUNTHER

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"Garner for President"

"Cactus Jack" Garner, though he carries his years lightly, is already older than any president of the United States has been at inauguration. Should he be nominated and elected, he would be the first Vice-President since Martin Van Buren (sent to the White House in 1836) to attain the presidency except by filling a dead man's shoes. Nevertheless, Garner's friends want him to be the 1940 Democratic nominee for president, and he hasn't said "No." There has been talk of "Garner for President" for months. Now there is action. Garner Clubs are springing up, particularly in Texas. Pamphlets fly around. Public opinion polls place the Vice-President high in public popularity.

When "Cactus Jack"—he had been speaker of the House—started to preside over the Senate in 1933, he was expected to be another Throttlebottom. He didn't like to make speeches. He disliked social life. But the red faced, white haired politician from Uvalde, Texas, soon made himself felt. First he commanded for the White House. Later he showed himself a lukewarm New Dealer. Then many conservatives within and without the Democratic party decided he was probably their man.

On matters of finance, on sit-down strikes and other labor problems, he pleased the right-wingers. Appealing stories began to be told about him, stressing his plainness, his folksy qualities, his taciturnity. Such was the one told after the recent state dinner in Washington for Britain's George and Elizabeth. The Vice-President, wearing the white tie and tails he is supposed to detest, was asked if he had enjoyed the evening. "Well," he said, "I'm here." It was long past his nine o'clock bedtime.

To many New Dealers John N. Garner seems to sympathize with the Roosevelt Administration no more than Vice-President John C. Calhoun sympathized with Andrew Jackson. The drive to make Garner the party candidate worries them, since, to preserve and extend the New Deal, they feel that Franklin D. Roosevelt, tossing precedent overboard, must seek a third term. Aware that the Garner movement might be destined less to nominate the Texan than to block a New Dealer, they have redoubled their efforts to get Mr. Roosevelt in the 1940 race. Only he, they argue, could head off a conservative. But the President has kept his thoughts to himself. And many neutrals point to the anti-third-term tradition as an almost insurmountable obstacle, an obstacle that if dynamited might blow the Democratic party to bits.

Democrats Divided

The very fact that a Garner boom could be started pointed to the party split that since the New Deal began has divided Democrats into liberals and conservatives. That division made Alfred E. Smith plumb for the Republican candidate in 1936, led to the attempted "purge" of anti-Roosevelt Democrats in 1938. It has been behind recent Administration defeats—the relief appropriations bill, the attack on the undistributed profits tax and, to look back a bit further, the reorganization fight of last year. Attacks on such New Deal legislation as the Wagner Labor Act and the National Health Bill stem from the same division.

Divided parties do not win elections. That rule raises a question whether the delegates in 1940 will not want a compromise candidate who can win the aid and support of both New Dealers and Garnerites. Desire

and realization, however, seem far apart, for the name of a possible middle-of-the-roader who would suit has yet to be found. There has been talk about Postmaster General Farley, he of the famous green-ink signature, about Secretary of State Hull and Secretary of Agriculture Wallace, but none has stirred deafening applause.

Secretary Wallace, incidentally, started a poll that backfired. In his newspaper, *Wallace's Farmer*, he asked young Iowans to state their choice for President. First place in the poll was won by Thomas E. Dewey, whose wide popularity continues to amaze political observers.

Republicans Also

Doubt, uncertainty and division among Democrats has been duplicated among their Republican opponents, who after years in the wilderness have settled upon neither a leader nor a program. Within their ranks has been division between conservatives and liberals that has resulted in a running criticism of New Deal measures, but has brought forward few popular alternatives. Nor has a Republican standard-bearer certain to rally the country been located.

Senator Arthur H. Vandenberg of Michigan recently said he is willin', and some shrewd political observers are ready to lay money that he will be the Republican nominee. His colleague from Ohio, Robert A. Taft, has been selected by many crystal-gazers. New York's District Attorney Thomas E. Dewey has an important following. How successful any of these would be against a Democrat is any man's guess. An important question is: What Democrat? Here President Roosevelt needed to be consulted; the President was silent.

Liberal Supreme Court

The Supreme Court of the United States ended its "October Term 1938" on June 5, and the black-robed justices quit their leather-backed chairs in the pillared courtroom until next October. Ill-health kept Chief Justice Charles Evans Hughes from the last session, and Washingtonians wondered if the time were near when the seventy-seven-year-old jurist would retire.

Should he so decide, he would make way for the fifth Roosevelt appointment to the bench of nine. Until the resignation of Justice Van Devanter in 1937, President Roosevelt went without a single nomination for the Supreme Court, a record unparalleled for a full-term president since the time of James Monroe. The court's conservative attitude toward the New Deal made the situation hard to bear, explaining in part the ill-fated attempt to revamp the court in 1937.

When Justice Van Devanter resigned, the average age of "the nine old men" was 71.88 years. (Mr. Van Devanter was seventy-eight.) Since then there have been two other resignations and one death. The four Roosevelt appointees have brought the average age down to 62.22 years. All the Roosevelt justices are relatively young. William O. Douglas, named this spring, is only forty.

The court's past session, unlike some of its recent ones, lacked drama, but trends of the past two years were continued. Liberalism now rules the Supreme Bench, in marked contrast to the first Roose-

velt Administration when several New Deal measures were thrown out as unconstitutional. The liberalism takes two forms: (1) approval of New Deal laws that once might have been overturned; for instance, the favorable ruling last April on the A.A.A. of 1938; (2) readiness to uphold decisions favoring civil liberties.

On this second note the 1938 session ended, the court holding unconstitutional a Jersey City ordinance that allowed the denial of permits for public meetings. The ban had been invoked particularly against the C.I.O., which, during an organization drive in the bailiwick of Mayor Frank Hague, tried to hold rallies and meetings in public halls and parks. Mayor Hague promised to obey the court's order.

Social Security Sooner

If any one word sums up the ambitions of America's millions it is—*security*. Particularly security for old age. That ambition is not new, but the depression that broke in 1929 heightened it and turned popular attention from security obtained by individual effort to security guaranteed by society—*social security*.

Doctor Townsend sold his \$200 a month for the elderly up and down the country, and people took to it far more eagerly than they had ever taken to his pills and powders. In last year's elections voters heard, in California, about the "\$30-every-Thursday" plan, or, in Texas, about \$30 every month for the old folk. The argument has been and is that

society owes something to the aged who, often through no fault of their own, cannot support themselves. For generations that obligation has been recognized, but the idea that it should be met through old-age pensions has still some novelty in this country.

Social security schemes were taken up early by the New Deal, and a national act was passed in 1935. (The Supreme Court O.K.'d it two years later.) The long and complicated act, covering federal aid for state unemployment insurance systems, for child and maternal welfare, for aid to the blind and for public-health work, set up federal old-age pensions starting with 1942. Both employees and employers anted a pot for pensions, benefits starting with a minimum of \$10 a month—at age sixty-five. Under some circumstances benefits might mount to a maximum of \$85 a month. Domestic servants, seamen and some others were the forgotten men of the act.

Experience with the law brought criticism, chiefly of old-age pension clauses. Last December the Advisory Council on Social Security suggested changes. One change would speed up payments; benefits would start in 1940 instead of 1942. The Council's recommendations were followed by the framers of amendments to the Social Security Act that have been on the Congressional docket. Two aims were in view: (1) to liberalize benefits; (2) decrease taxes for the system's support.

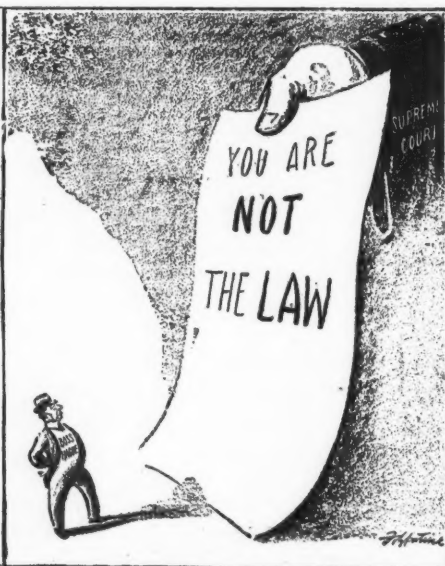
The House decided that henceforth seamen, bank employees and employed persons over sixty-five should be covered by the act, that all eligible for old-age pensions should have them to spend by next January 1, two years earlier than originally planned. Old-age insurance taxes were stabilized at 1 per cent; they were to have advanced next year to 1½ per cent. Under the amended law pensions would follow such a sample schedule as this:

Average Monthly Salary for Three Years, 1937-39 Inclusive			Single Persons	Married Couples
\$ 50			\$20.60	\$30.90
100			25.75	38.63
150			30.90	46.35
250			41.20	61.80

Only two dissenting votes were registered in the House, and Senate approval was prophesied by Wash-



Duffy—The Baltimore Sun



Fitzpatrick—St. Louis Post-Dispatch

Two of the country's best cartoonists view the recent decision of the Supreme Court rebuking Jersey City's Hague.

ington observers. For, though a Townsend plan for \$60-a-month pensions was defeated at this congressional session, the Townsend movement and other old-age-pension schemes have so stirred the country that to vote against *social security* comes close to voting for political death.

New Chief of Staff

Tall, sandy haired, clean-shaven George Catlett Marshall, Brigadier General U.S.A., will become Chief of Staff when General Malin Craig retires at the end of August, and thus for the second time in Army history a non-West Pointer will head the service. The other exception was General Leonard Wood, whose background was Harvard. General Marshall is a graduate of Stonewall Jackson's old school, Virginia Military Institute.

General Marshall—he is fifty-eight and twice-married—has seen service from Texas to the Philippines to France. He fought at St. Mihiel and in the Argonne. He has been in China. For service and valor he has been many times decorated with medals and ribbons that include: Distinguished Service Medal, Victory Medal with five bars, Croix de Guerre with Palm, Legion of Honor, the Italian Order of Saints Maurice and Lazarus, and the Italian Order of the Crown.

The Chief of Staff-designate had a chance to wear some of his decorations in May and June when he paid a Good Neighbor visit to Brazil. He had been sent on a military-diplomatic mission designed to bring Brazil into closer relations with the United States, and to head off a proposed visit by the Brazilian Chief of Staff, General Monteiro, to Berlin. The Brazilian had a German invitation, but had to decline with thanks, staying home to entertain his American visitor. The entertainment was first class, including a brilliant military procession through the streets of Rio.

The Brazilians found their guest not uncongenial. In army circles General Marshall has long had the reputation for being a strict disciplinarian, but his courtesy is traditional, and those who know him insist that, in his soft spoken way, he is the best story teller in the army. When he returned to the United States on June 20, he brought General Monteiro



Hungerford—The Pittsburgh Post-Gazette

"Snow White Garner."

back with him for a return visit.

When he takes over, General Marshall will head an expanding military force that is in the midst of its greatest rearmament program in peacetime history. Much of that expansion is in the field of motorization and in the air corps. While the new Chief of Staff admits the tremendous importance of an air force, while he insists on the need for motorization and improved material, he pins his faith on the historic infantryman. As the General puts it: "By himself he can do very little, but collectively he wins a war."

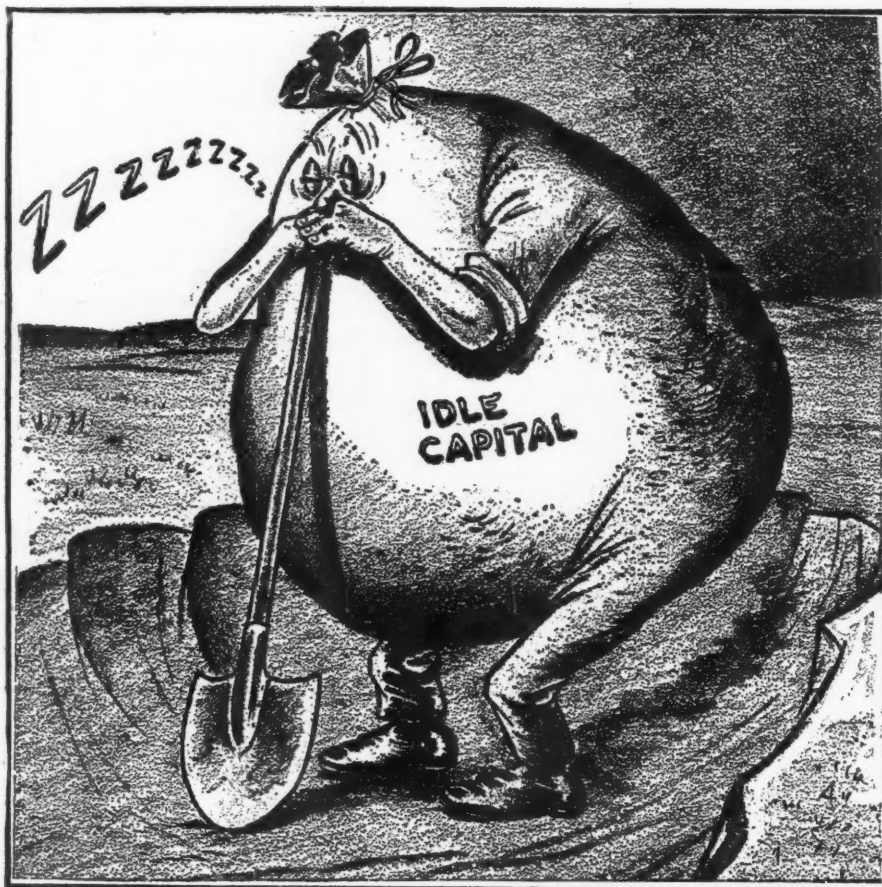
Revamping W.P.A.

As part of his job, a congressman keeps his ear to the ground. So acute does his ear become that often he can detect movements at the very grass roots, among the folk back home. The folk have been grumbling for a good while about the W.P.A.

"Loafers," that is the word most

often heard, but other charges against the W.P.A. have been legion. It has been accused of waste and extravagance, of political activity, of competition with private business. Radicalism has been laid at the door of the art projects—the writing, theater and other white-collar efforts. The Workers Alliance, organization of those on relief, has been linked to Communist leadership. Congressmen have heard all these things many times, and some of them echoed in the recent House hearings on next year's relief appropriation. The majority was ready to tackle these alleged W.P.A. evils, and with a strong suspicion that the folk back home would applaud.

The House had its chance with the introduction of a relief bill carrying the W.P.A.'s \$1,477,000,000 requested by President Roosevelt for the fiscal year starting July 1. That sum, though huge, was a third less than the \$2,250,000,000 spent in 1938-39. In four years of W.P.A. history all



Elderman—The Washington Post

Hallelujah, I'm a bum!

figures have been astronomical. Nearly \$7,000,000,000 has been spent on this one relief agency with its multitudinous projects. W.P.A. workers have fluctuated from a low of 1,451,112 in September, 1937, to a high of 3,253,623 in October, 1938. The President has estimated that two million will be the 1939-40 average.

The House bill rang down the curtain on the Federal Theater Project of the W.P.A. By requiring all who have been on the rolls eighteen months, come October 1, to be dropped for at least two months, a move was made against those who might be seeking a career on relief. The size of projects was strictly limited. The arts projects—boondoggling they have seemed to some eyes—were abandoned unless sponsored by localities. Penalties for political use of W.P.A. jobs were heightened. Efforts were made to knock out any possible Communist influence in the W.P.A.

There were only twenty-one votes against the proposals for remodeling the W.P.A. when the bill came up in the House, but there was a great outcry in certain public sectors. The move against the federal theater stirred many protests from individ-

uals, but towns and cities also began to assert themselves against the nature of the revamped W.P.A., New York declaring that the new set-up would cut the W.P.A. rolls drastically and increase home relief to an almost impossible point. In the midst of the agitation only one thing stood forth in bold outline: Whatever had been done in Congress to meet alleged weaknesses in the W.P.A., nothing had been done to tackle the fundamental problem of unemployment, the crux of the whole relief controversy.

Future of Philippines

En route to Washington from Manila, Paul V. McNutt, High Commissioner to the Philippines, recently declared that complete independence for the Philippines "probably would mean servitude," that "they are unable to stand alone amidst the violent forces now loosed in the Far East."

"We have given them political independence but economic dependence," he said. "They should not now be abandoned." The statement attracted wide attention, not only because of Mr. McNutt's high position in the Philippines, but because on

June 18 he announced that he would be a candidate for the Democratic nomination for President if Mr. Roosevelt did not choose to run again.

Under the Tydings-McDuffie Act, the Philippine Islands will achieve full sovereignty on July 4, 1946. But Senator Tydings and President Roosevelt are reported in agreement on the reshuffling of our commercial relations with the Islands provided for in a bill sponsored by the Senator and passed by the Senate last May 31. Congress also is considering a proposal that a joint congressional committee sit with a group to be appointed by the President in 1944, and consider the economic plight of the Philippines and the future relationships between the Islands and the United States.

Thus, the picture has changed since a year ago, when Philippine nationalists were wildly demanding complete independence immediately. The fact is that the Philippines have long been declared a goal for Japanese expansionists, and many of the Filipinos also fear lest they come under the influence of Great Britain as a stepping stone across the Pacific to Australia and New Zealand.

In an interview in Manila prior to his departure for Japan, where he is at work on his memoirs, General Emilio Aguinaldo, famous revolutionary hero of the Philippines, who led the American Army a merry chase during the early years of occupation, declared that the Filipinos "must aspire to freedom but never forget America. An independent Philippines means a grateful Philippines." He further declared, however, that the Sino-Japanese conflict should have nothing to do with the grant of independence to the Islands. "If Japan is a danger to the Philippines, as some people think," he said, "it will always be thus, as Japan will not disappear from the map nor become so weakened it will not be able to do active military work."

The fact that the United States takes almost 85 per cent of all Philippine exports and supplies more than 60 per cent of the Islands' imports appears to be tending toward an American determination to hold on to the Islands, to give the United States a voice in Far Eastern affairs if nothing else. Despite pressure on Congress by American sugar, oil and other commercial interests to free the Philippines in order to preserve the American market for American pro-

ducers, Congress has become increasingly concerned over the Islands. When 1946 rolls around, it is doubtful that Washington will keep its promise to set them loose.

Buy Dutch West Indies

Declaring that, of the hundreds of millions of dollars that the United States is spending on army and navy equipment, "a substantial part will be obsolete in the course of a few years," Senator Ernest Lundeen, Minnesota Farmer-Laborite, recently suggested that the United States "purchase the Dutch West Indies and Dutch Guiana as a permanent improvement to our national defense in a vulnerable portion of our armor."

Curacao, largest of the Dutch West Indian Islands, is located strategically in the path of Trinidad-Panama shipping and athwart New York-Venezuela lines of communication. Willemstad, the port of Curacao, is one of the most thriving in the world and is the center of the oil-refining industry from the wells at Maracaibo,

on the Venezuelan coast. Adjacent to Curacao are Aruba and Bonaire, about fifty miles off Venezuela. The three islands, plus several smaller ones, have a total area of about four thousand square miles, while Dutch Guiana is about the size of Iowa. Senator Lundeen pointed out that one-fifth of the world's aluminum is found in Dutch and British Guiana and that, moreover, that area would provide a haven for European refugees whose immigration is not now encouraged by the United States. In this era of rapid expansion in air power, he said, it is interesting to note that Dutch Guiana is on the main transport routes from Florida and South America via the West Indies.

Inasmuch as the Virgin Islands were purchased from Denmark without difficulty, Senator Lundeen saw no reason why the Netherlands would not be willing to sell Curacao and Guiana. The changing of flags, he argued, apparently has little significance so far as the great body of the population of these

areas is concerned. He illustrated his point with the following statement:

"The Island of Curacao was settled by the Spanish in 1527; captured by the Dutch in 1634; captured by the English in 1800; shortly thereafter recaptured by the Dutch; recaptured by the English in 1807; and finally restored to the Dutch in 1816. Dutch Guiana was settled in 1630 by the English, and in 1644 was largely taken over by Dutch, Portuguese and Spanish Jews. The Dutch military occupied Guiana in 1666, and in 1667 the English gave up their claim to it in exchange for New Amsterdam, later New York. It was again taken over by the English in 1799 and held by them until 1816 when it was finally recovered by the Dutch. In none of these transfers and retransfers was the native population consulted by the conquering nations.

"We hear a great deal said on the floor of the Senate about the possibility that some foreign power may come and take possession of some of these islands," he said. "Very well; let us acquire them now by negotiation and purchase, and perhaps we might save for America some of the neighboring territory lying just off our coast."

Czech Resistance

The Nazi protectorate of Moravia and Bohemia, and its ostensibly "independent" neighbor Slovakia, suffered throughout the first half of June from an ailment now common in Europe and familiarly known to most chancelleries as "Munich nerves." Evidently because this affliction can only be relieved by positive action, and also because the Czechs and Slovaks are not a supine people, their resistance to their German masters moved at last from a passive to an active stage.

By the beginning of the month, sabotage was almost openly practiced, both by industrial workers (literally throwing monkey-wrenches into the works of various plants) and by farmers who began to secrete their summer crops. In open defiance of German uniformed police, of Reichswehr detachments and of Gestapo operatives, citizens of partitioned Bohemia and Moravia bellowed the ancient songs forbidden them, and hooted at regulations specifically proscribing their folk arias. Under the increasing tension, German and Czech police repeatedly clashed. A



Amadee—The St. Louis Post Dispatch

"I'll get that killer!"

Nazi policeman was shot and killed at Kladno; his Czech equivalent was killed at Nachod.

But that was not all. Hitler seemed relatively indifferent to the sultry atmosphere of the protectorate, which is altogether helpless, but Slovakia—whose independence the Fuehrer has “guaranteed”—was something else again. Here, it plainly appeared to him, he was being intolerably provoked. He moved quickly to reinforce Reichswehr garrisons in Slovakia, and massed other troops in the north-east corner of Moravia, a convenient springboard for a leap into Slovakia and the pronouncement of another protectorate.

Throughout the month Czechs and Slovaks raced by the thousands across the Polish frontier, among them, incidentally, the sixty-two-year-old Volta Benes, brother of the former President, with whom he had recently conferred in the United States. Their intention was a repetition of their hair-raising tactics during the World War: the organization of a rigidly disciplined and fatalistic foreign legion. The last reports were that at Cracow eighteen thousand of them had found a leader in General Prchala, a figure who appears made-to-order as a future national hero. It was the doughty Prchala who last autumn fought a last-ditch (but unsuccessful) action against the Hungarians when they demanded a share of the spoils of Munich.

Other Czechs and Slovaks fled to France in the course of the month, hoping to form ranks there in a second foreign legion. In an effort to check this illegal exodus, Protector Baron Konstantin von Neurath banished thousands of skilled Czech workers to Germany, to be retained as hostages, i.e., as a warning to their families to stay in the protectorate and work for the Fuehrer. But the reckless flight continued.

The asylum given these Czech “legionnaires” in June by Poland did nothing, manifestly, to make Berlin-Warsaw relations more cordial. Those relations were already perilously near the breaking point over the issue of Danzig.

Tension at Tientsin

For Great Britain, June was a month fraught with tension. London's negotiations with Moscow over a Franco-British-Russian pact against aggression struck one snag

after another. The Polish-German embroglio menaced a precarious peace on the continent. And in the Far East Japan forced a showdown on the existence of foreign settlements in China, with Great Britain an unwilling participant.

Very bluntly Tokyo declared that Britain had long been giving roundabout aid to Chiang Kai-shek, and was, in fact, trying to preserve China as its own exclusive property, even to the extent of involving the United States in the China affair as a cat's-paw to pull British chestnuts out of the Oriental flame. Citing the fact that, when the United States asked for British moral support during the Manchurian trouble seven years ago Washington was coldly snubbed, Tokyo declared: “Now that it is London's interests that are at stake, Britain is doing its utmost to provoke ill feeling between Japan and the United States.”

The incident at Tientsin in North China brought matters to a head. The dispute there arose originally over the asylum given by the British in Tientsin to four Chinese whom the Japanese charged with terrorizing the municipal official under their domination. The Japanese demanded the persons of the alleged terrorists. Britain refused to accede, and Tokyo followed with a number of specific as well as general demands. The former included the relinquishment of the four men, and British support of Japanese currency; the latter asked an end to oblique British aid to Marshal Chiang Kai-shek, and consent to the extension of municipal jurisdiction to the Chinese puppets over the concessions throughout China—including the enormously wealthy and vital International Settlement of Shanghai. A persistent *obligato* to these demands was the assertion by various Japanese spokesmen, at Tientsin, Shanghai and Tokyo, that the day of special privileges for the occidental powers in China had ended. Thus the issue became one far more sweeping than the British surrender of four Chinese agitators.

As predicted by Japan, Great Britain began immediate overtures to the United States for aid. In Wash-

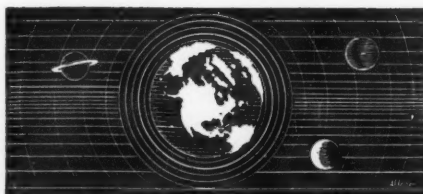
ington our State Department was more than ordinarily taciturn, but Secretary Hull's office went so far as to deny that definite proposals of forthright joint action had been entertained from London or from France, whose concession at Tientsin was blockaded by the Japanese along with the British concession. Nevertheless, it did become known that the State Department, via American Consul-General J. K. Caldwell, in the besieged concession, was steadily and monotonously relaying notes and protests to Tokyo over the inconveniences suffered by American exporters, importers and bankers. At the same time London was scrupulously careful to see that the State Department was informed of every move in the critical situation, and the Chamberlain government also took elaborate pains to see that Tokyo was made cognizant of the information it was forwarding to Washington. As the month advanced an unofficial international consensus was that Britain probably would not be provoked to military action this summer.

Another Singapore

Sydney, New South Wales, has been selected by the Australian and British governments for a “second Singapore,” according to plans and estimates announced in London by Sir Leopold Saville, prominent British dock and harbor engineer. The base, which would be able to accommodate the five 35,000 ton battleships now being built by Great Britain, would have a strategic value to any English or allied fleets operating in the Pacific.

Proposed plans now being studied by naval experts call for an almost exact duplicate of the Singapore base in the Straits Settlements, including the 1,000-foot long George VI graving dock, which, with its 135-foot width and 35-foot low water depth, is capable of accommodating the biggest capital ship afloat or building.

The proposed Australian naval base would afford a particularly wide striking range for the British fleet in the Pacific, in waters now plowed by three major fleets—the Royal Australian Navy which, consisting of several cruisers, destroyers and escort vessels, operates with the British fleet, the American Pacific fleet, which now includes a large part of the normal Atlantic squadron, and the Japanese Fleet.



In Search of Peace

Great Britain's Prime Minister explains recent historic changes in England's foreign policies

NEVILLE CHAMBERLAIN

WHATEVER may be the ultimate verdict on the events through which we passed in the last year, and which have left their mark on some of us—whatever may be the verdict on the part which has been played by the British government, we can be sure that the period will stand out as one that is memorable in the history of the British people.

We ourselves have been through the whole gamut of the emotions— anxiety deepening until it became acute, then intense relief, varied by renewed doubts and fears until now the people have settled down into a mood of firm and fixed resolve, confident in our strength, clear in our conscience that we have done and are doing all that men can do to preserve peace. Convinced of the rightness and the unselfishness of our aims, we are as ready as ever to listen to the views of others, but determined not to submit to dictation. And whatever differences there may be among us as to the methods, I feel satisfied that throughout our country there is fundamental union on the principles of the policy which we are following.

I seem in these days to be the target for a lot of rotten eggs, but I can assure you that does not keep me awake. The British people have watched the old umbrella going round—they have, I believe, approved our efforts, strenuous, and up to now successful, to keep Europe out of war.

Nothing would induce us to enter upon a war unless we are absolutely convinced that it could not be avoided without sacrificing our own liberties and our own good name. I am confident that the British people will be behind us in any measures we may think it necessary to take in order to deter others, if others there be, who would seek to substitute methods of force for the methods of discussion which we ourselves employ in settling our own disputes at home.

ONE of the most important of new books is *In Search of Peace*, by Neville Chamberlain, Prime Minister of Great Britain. Published by G. P. Putnam's Sons, it is Mr. Chamberlain's own record of his history-making administration. Consisting of public papers, speeches and letters, the book tells the full story of recent English diplomacy, from early "appeasement" to late attempts at guaranteeing the security of several nations in Central and Eastern Europe.

By special arrangement with the publishers, CURRENT HISTORY prints the accompanying material from the book, feeling that it clearly indicates the official position of the Chamberlain government on conscription, taxation and Anglo-German relations, and that this position has historical importance.

Recent developments in our policy have been forced upon us and have led us to undertake new commitments in Europe leading inevitably to fresh increases in the armed power of the nation. It has never been part of our policy to be meddling busybodies interfering in other people's concerns. We have long had certain alliances and engagements on the Continent and, of course, we have a general interest in the maintenance of peace; but so long as these things were not threatened we had no desire to go farther.

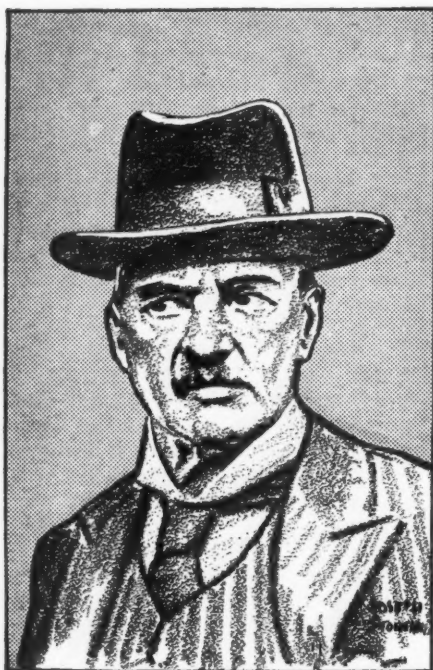
And as for Germany's actions, we were not necessarily concerned with them so long as they were confined within the limits which Germany laid down and sought only to promote the interests of Germany without threatening the independence of non-German countries. But, when Bohemia and Moravia, countries inhabited by a population the great majority of

which was not German—when those countries were annexed to the Reich, well, then other countries began at once to ask where is this process going to stop. Indeed the natural result was that every neighbor of Germany felt its security threatened, and a suspicion, a widespread suspicion, was created that we were only watching the first step in a policy which might contemplate the swallowing of state after state with the intention ultimately of dominating the world.

It may be that the Nazi leaders have no such ambitions. They themselves say that there is nothing farther from their minds than to use these gigantic forces which they have accumulated for the purpose of aggression against others or of attempting the economic, political and military domination of smaller states.

If that be so, then I say that Germany has nothing to fear from British policy. I am told that there are people in Germany who do not understand our policy and think that we have some intention of encircling their country. I can understand that people who suffered after the war from the consequences of severe privation have a dread of being stifled or restricted by the deliberate policy of some foreign power. Well, let me say now, as I have said before, that never has it entered our thoughts to isolate Germany or to stand in the way of the natural and legitimate expansion of her trade in Central and South Eastern Europe; still less to plan some combination against her with the idea of making war upon her. Any suggestion of the kind is simply fantastic and, if it is repeated for the purpose of propaganda, well, it will not be believed anywhere outside of Germany.

On the other hand, I want to make it equally plain that we are not prepared to sit by and see the independence of one country after another successively destroyed. Such at-



Neville Chamberlain

tempts in peace time have always encountered our resistance, and it is because there can be no rest, no security in Europe until the nations are convinced that no such attempt is contemplated, that we have given those assurances to Poland, to Rumania and to Greece which have been so warmly welcomed by them.

It is with the same purpose of calming and stabilizing the situation that we have entered upon conversations with other countries, particularly with Russia and Turkey.

IN his recent speech Herr Hitler, referring to the Anglo-German Naval Treaty, said that it was based upon one condition—namely, the will and conviction that war between England and Germany should never again be possible. He added that that will and conviction were alive in him still today, but he suggested that his conviction was no longer shared in London. In any conflict, he said, Great Britain would always have to take her stand against Germany, and therefore war against Germany was taken for granted here, and accordingly, he said, the basis for the treaty had been removed.

Well, now, this is a very serious matter, and I want now to make a firm and definite assertion that so far as we are concerned the basis of the treaty has not been removed. On the contrary, I hold now, as I have always held, that the Anglo-German Naval Treaty could properly be re-

garded as symbolic of the desire that our two peoples never go to war with one another again. I believe that desire to be as firm as ever among both peoples, and I am convinced that both peoples expect their governments so to arrange their relations with one another and so to conduct their affairs that no question of war between us shall arise.

As I have explained, there is nothing in the assurances that I have mentioned which is in any way inconsistent with what I have just said. Herr Hitler went on to say that he hoped we might avoid an armaments race between Germany and England, and he added that he was ready to negotiate with us on the naval question with a view to coming to a clear and straightforward understanding. That is a statement to which His Majesty's government will give most careful consideration and in due course we shall send our reply to the German government.

Let me say here and now that neither in armaments nor in economics do we desire to enter into unbridled competition with Germany. We have already made an Anglo-German payments agreement which has proved, I think, of mutual benefit, and which has resulted in a fair volume of reciprocal trade in spite of the great differences in the economic systems of the two countries. And, moreover, we would not refuse to enter into a discussion upon measures for the increase of our mutual trade or for the improvement of our economic condition; but of course only if unmistakable signs can be given to us of a desire to restore that confidence which has been so shaken.

It must be apparent that these assurances to European countries have added greatly to our responsibilities, and, therefore, the necessity that we should put ourselves in a position to fulfil them. War in these days is no longer preceded by those preliminary stages which in old days gave ample warning of its approach. Today it is carefully prepared surprise and the lightning blow which give the first notification, and we must take our precautions accordingly. Other countries, which have land frontiers, fortify those frontiers, and their fortifications are manned by defenders night and day. Our fortifications here are our anti-aircraft defenses, which are entrusted to the Territorial Army.

We could not put them in more competent hands, but we cannot ask

the Territorial Army to give up its normal occupation and to man these anti-aircraft defenses night and day except for short periods and in times of special emergency, and it is necessary, therefore, that we should supplement our present arrangements by utilizing the services of men who will be undergoing training for considerable periods of time in order that they may relieve the Territorial Army when there is no emergency.

You know that we have decided to bring in a measure of compulsory military training. If war should ever come—which God forbid—the brunt of the fighting will have to be borne by the younger men. In the last war the lives of some of the finest of our young men were sacrificed because they never had a full opportunity of making themselves acquainted with the use of the weapons of war. We must not take the responsibility of letting that happen again. In our bill we shall call up 200,000 men in the first year; in the second and third years the number of men between the ages of twenty and twenty-one will be rather larger. And so at the end of the third year we shall have 800,000 men who will have had an intensive training for six months in the use of weapons and the equipment that they would have to use in time of war. That is an immense addition to the strength and the safety of themselves and of the country.



Winston Churchill, who had criticized Britain's former policy of "appeasement" toward the dictators, is now one of Chamberlain's strongest supporters.

There is another reason still of the first importance for bringing in this measure of compulsory military training. In the course of the discussions which we have been carrying on with these European countries it became clear to us that doubts existed as to the seriousness of our intentions. In particular, our friends all over the Continent, who themselves have long practiced compulsory military service, could not understand how, if we meant business, we would entrust our defenses to volunteers, to men whose time was taken up in their ordinary occupations, and who, until actual war occurred, would never get that intensive training which all continental armies go through.

This feeling we found so strong that it was actually jeopardizing the success of the policy we were pursuing of trying to build up a peace front, and we could not resist the conviction that there was no single step which we could take which would so encourage our friends and so impress any who were not our friends as that we should introduce compulsory military training into this country.

I had the opportunity recently of exchanging a few words with M. Blum, the French Socialist leader and former Prime Minister, and he said to me that in his view, and in the view of all the Socialist friends with whom he had talked, there was only one danger of war in Europe, and that was a very real one: it was that the impression should get about that Great Britain and France were not in earnest and that they could not be relied upon to carry out their promises. No greater, no more deadly mistake could be made—and it would be a frightful thing if Europe were to be plunged into war on account of a misunderstanding.

In many minds the danger spot in Europe today is Danzig. While our assurances to Poland are clear and precise, and although we should be glad to see the differences between Poland and Germany amicably settled by discussions, and although we think that they could and should be so settled, if any attempt were made to change the situation by force in such a way as to threaten Polish independence, that would inevitably start a general conflagration in which this country would be involved.

I do not want you to think that all this points to the imminence of war. On the contrary, the stronger we are, the better able we are to resist at-

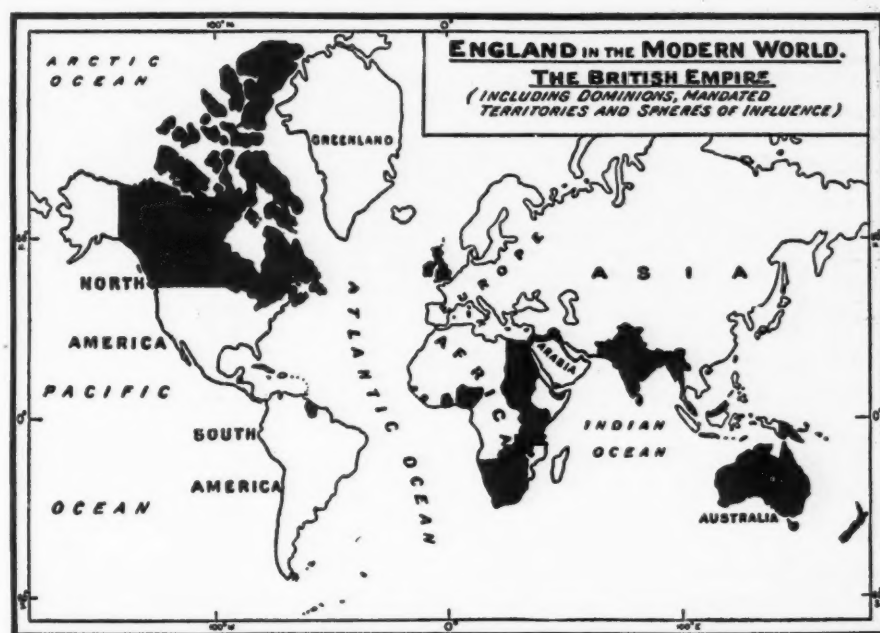
tack and, if necessary, to strike the attacker, the less likely it is that peace will be disturbed. So I am very glad to tell you that in all three of our services we are increasing our strength both in men and in equipment, in ships, in guns, in aircraft, in munitions at a rate which reflects the highest credit on all concerned.

All these measures that we are taking are adding enormously to our

benefit to every people in the world.

In our country the latest figures that have been issued by the Ministry of Labor show a further substantial decrease in unemployment, and the number of insured persons now in employment exceeds anything that has ever been recorded.

If I had the time I could mention other signs which are by no means unhelpful for the future. I have read



national expenditure; sometimes I am thankful I am no longer Chancellor of the Exchequer—and that the responsibility is no longer primarily upon my shoulders of finding the means of financing them. But my colleague, Sir John Simon, has been so successful in his budget, both in deciding how much of the expenditure should come out of borrowing and how much out of taxation, and in the pains that he has taken to allot his new taxes fairly among all classes of the community, that I do not remember any budget in recent times—certainly none of my own—that has been subjected to so little criticism.

I am afraid that when we look forward into the future we cannot see much prospect of any reduction in taxation; we shall have to watch every penny of expenditure, and we certainly cannot afford in these days to indulge in any schemes which would make a considerable addition to the cost of our present services. But if only we could get a little relief from this international tension, this anxiety abroad, there are many indications that we might see a great expansion of trade which would be of

of a great district in South Africa which, over long periods in the year while the dry season lasts, is nothing but a barren desert; but the time comes when the drought breaks, rains descend, and in a few hours the brown earth is carpeted with green and becomes a veritable garden of flowers. And so, too, we are waiting for the return of that vivifying confidence which, when it comes, would make our desert blossom like the South African Karoo.

The power to create that confidence does not rest in our hands alone, but so long as I am where I am I shall continue to hope and to spare no effort to bring it back. In the meantime, every one of us can contribute toward bringing it back by keeping up our faith. Depend upon it, however strong material forces may seem, they can never dominate the spirit.

Let me conclude by repeating to you from a great American poet:

*Our fathers sleep but men remain
As brave, as wise, as true as they.
Why count the loss and not the gain?
The best is that we have today.*

Balkanizing America

Trade wars among the states threaten to transform us into an economic counterpart of Central Europe

BLAIR BOLLES

Staff Writer, "The Washington Star"

OUTSIDE his own simple sphere, Leo Jubb, trucker, probably has been long forgotten. Jubb, a quiet citizen who lived with no thought of becoming a historic symbol, had his base of operations in Mamaroneck, New York, near the Connecticut line. One day he took his loaded truck to Maine. When he crossed the Salmon Falls River, the authorities asked \$75 for Maine license tags before permitting him to proceed.

Leo paid the tax. When he returned from Maine he told the story to local officials. Indignant, the Mamaroneck police, who liked Leo, retaliated. They halted two Maine truck drivers entering New York along the Boston Post Road and forced them to get New York plates. The flow of interstate commerce in our "free" land was rudely interrupted. And out the window went the constitutional clause which prohibits the erection of unnecessary domestic trade barriers.

The affair Jubb, which took place in 1933, is one of the earliest examples of the border battling which in this summer of 1939 is turning our forty-eight states into vindictive, opportunistic entities. In the six years since Leo Jubb brought his truck home from Maine, interstate trade barriers have continued to rise all over the country. The situation has become so menacing that Secretary of State Hull recently warned the nation's governors that unless the barriers are torn down the United States may soon become an American counterpart of the Balkans, where trade wars and border feuds have brought economic chaos.

That many of the governors recognize the danger was apparent at the National Conference on Interstate Trade Barriers held in Chicago some weeks ago under the auspices of the Council of State Governments, an organization devoted to state and interstate welfare. Attended by gov-



The New York Times

Secretary of State Hull has warned the states against trade barriers.

ernors or their representatives from most of the states, the conference sounded the opening gun of what the Council hopes will be a victorious campaign on the part of the states themselves to remove existing trade walls.

It will be interesting to see how far the states themselves will go towards giving positive meaning to the "domestic tranquillity" called for in the preamble of the Constitution. Thus far, internal customs laws seem to have changed that term to "domestic hostility." It is a strange paradox that, even as we exhorted foreign nations to level commercial barriers and improve trade relations, we ourselves moved in the directly opposite direction. Kansas has sixty-six ports-of-entry. Arizona's Highway Department, without benefit of statute, has set up eight of these casual customs stations, which, so far as motor vehicle traffic is concerned, are as formi-

dable as anything found in Europe. Salesmen cannot enter California by car without taking out new plates.

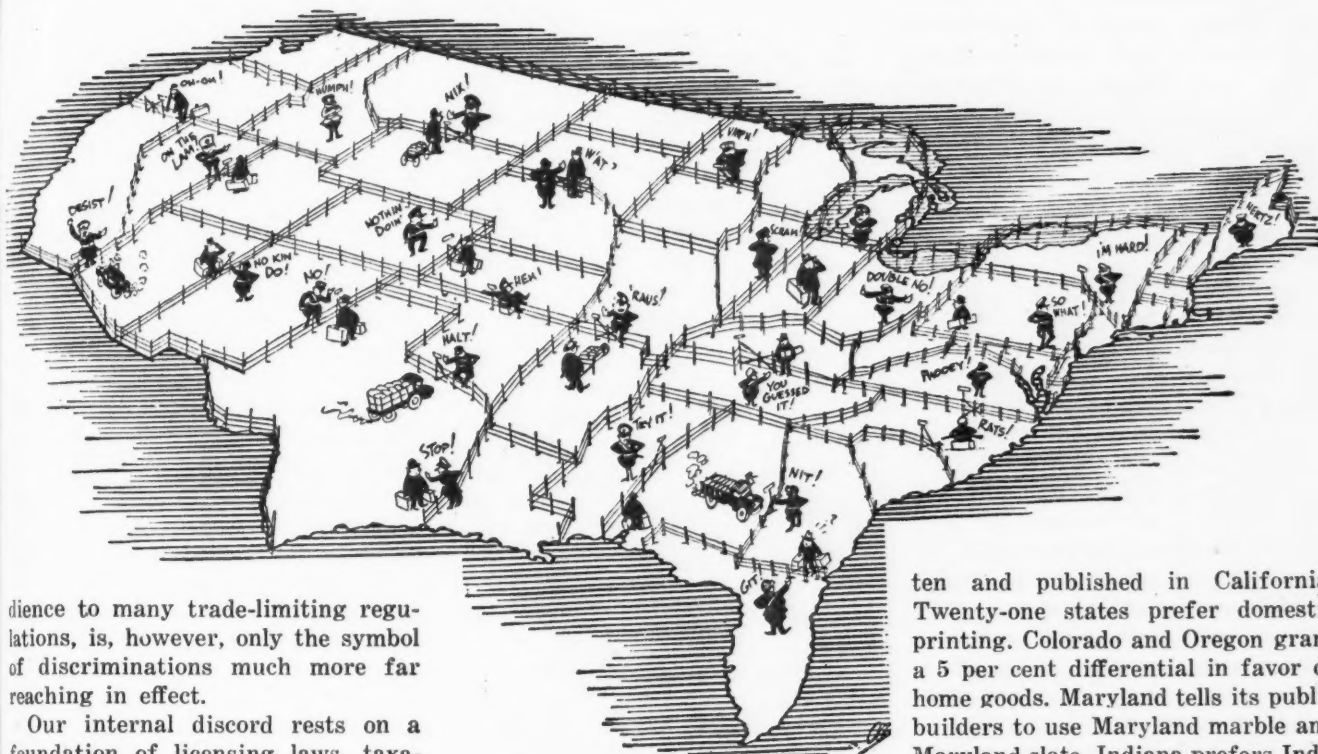
Abroad, commercial war leads to armament races and then to martial conflicts. Here it leads to lowered return on American investments and to interstate wrangles. Nebraska is bitter at Kansas. A Kansan, in turn, has grumbled that "the rules and regulations of Oklahoma and Missouri almost make it prohibitive for Kansas farm trucks to cross the line." Tennessee resents South Carolina's taxation of peach cargoes. Chicago newspapers discourage Illinois residents from visiting Tennessee because of that State's truck and bus levies.

"We cannot say we have free trade between the states," wrote Secretary of Agriculture Wallace recently. According to Mr. Wallace's Department, the trade restrictions "add hundreds of millions of dollars to the annual food bill of consumers and make it increasingly difficult for persons in the lower income brackets to obtain necessary foods."

The country needs to be de-Balkanized. It cries for internal *anschluss*.

FOR the port-of-entry the country is indebted to Kansas. The Jayhawk State, which sells its oil and wheat and cattle in every section of the Republic, invented the American customs house in 1933 to collect gasoline taxes from incoming automobiles, whose drivers, the Kansans suspected, might have filled their tanks in Nebraska, Colorado, Missouri or Oklahoma.

The port-of-entry is certainly the most spectacular and irksome barrier yet devised by the states as a blocker of commerce. Fourteen states, mostly in the West, have followed Kansas' lead. The port, as the bottleneck where authorities can check on obe-



Barron's, The National Financial Weekly
Will it come to this?

dience to many trade-limiting regulations, is, however, only the symbol of discriminations much more far reaching in effect.

Our internal discord rests on a foundation of licensing laws, taxation, and extraordinary invocations of the police power. These counter-constitutional legislative acts often pretend to have a non-economic purpose. But the philosophy of "Buy Podunk" (successor to "Buy American") animates them all. Let us examine some existing imposts:

1. Licensing of gypsy-truckers and non-resident canvassers.

In this era of good roads the highways are crowded with men known, in the terse jargon of commerce, as "gymps." This label is no reflection on their honesty. It is merely a shortening of "gypsy," in turn whittled down from "gypsy-trucker." The gyp usually fills his truck with goods at a farm and travels off to the most likely market, which may be in the next state or the next county or two counties away. There he may peddle his goods from door to door or park his truck and wait for customers to come to him. His overhead is low; his service to the farmer is great; he sells cheaply and still profits. But legislation, extolled as protecting the consumer from fraud, hedges him with restrictions; restrictions from which local merchants, who conceivably could be just as fraudulent as the invaders, are exempt.

The gypsy-trucker who performs a useful task is beset in many jurisdictions by "Green River" ordinances which prohibit solicitation of private residences by pedlers. The trucker pays motor license fees for crossing state lines. He also pays for vendors'

licenses; the price is \$300 a year in Washington and Idaho, States which also require him to deposit \$500 as a surety with the county treasurer. A vendor's license in Fort Wayne, Indiana, costs \$300; in Louisville \$250; in Denver, Omaha, Pittsburgh, Mobile, Baltimore, Cleveland and St. Louis \$200.

THIS sort of discrimination against the one-truck trucker tends to favor large transportation companies. In the end, of course, the consumer pays, and state becomes irritated at state. Certain Georgia interests, for instance, seek establishment of a gyp-license because Georgia is now almost the only Southern State in which selling by itinerant truckers from beyond the State is practically free.

2. Public purchase preference laws.

An ingenious device for sweating the taxpayer is the law providing that state purchasing agencies give preference to certain articles produced in the state, no matter whether or not they can be obtained more cheaply elsewhere. Thirty states have preferences of this sort regarding the purchase of general supplies and building materials. California, one of the pioneers in discriminatory legislation, prefers that its children in public schools study textbooks writ-

ten and published in California. Twenty-one states prefer domestic printing. Colorado and Oregon grant a 5 per cent differential in favor of home goods. Maryland tells its public builders to use Maryland marble and Maryland slate. Indiana prefers Indiana coal to heat the State House at Indianapolis. Florida wants Florida architects to design Florida official buildings. Inmates of Nebraska jails and other public institutions spread their bread with butter churned in Nebraska creameries from milk produced by Nebraska cows. Seven states forbid public officials to spend money for public supplies produced in states which discriminate in public purchases.

3. Margarine laws.

Butter and oil interests have done their share in erecting interstate trade barriers. Butter states enact laws which make it virtually impossible for dealers to sell margarine which does not feature oil of that particular state. Both laws set up excise taxes supplemented by license requirements. The Wisconsin milk producer does not want his butter market limited by whatever taste for margarine his fellow-Wisconsinites might develop. So the State places an excise tax on margarine of 15 cents a pound and sets six license fees: \$1,000 for manufacturers of margarine, \$500 for wholesalers, \$25 for retailers, \$25 for restaurants, \$250 for hotels, and \$5 for boarding houses. What the Wisconsin cow man forgets is that margarine eaters rarely can afford butter and that they turn from margarine to such products as lard, peanut butter and similar low price fat-containing products.

Texas, which is at once a cow State, a corn State, and a cotton

State, puts an excise tax of 10 cents a pound on margarine made with oil which is not oleo oil, oleo stock, oleo stearine, neutral lard, corn oil, cottonseed oil, peanut oil, soybean oil, or milk fat. But in Wyoming, Nebraska and Minnesota, where the cow is king, margarine made of cottonseed oil is penalized. Since the United States imports more cottonseed oil, anti-cottonseed legislation becomes in effect a tariff on goods from abroad. This is a neat invasion of a prerogative of the federal government.

4. Discriminatory liquor taxes.

The legislature at Des Moines, with the welfare of its farmers at heart, has passed a law requiring that all beer sold in Iowa be made 66.6 per cent from barley. Iowa also puts a special tax of 4 cents a gallon on beer brought in from the wilds beyond Iowa. Connecticut's beer tariff is even larger, \$3 a barrel, and Idaho levies a duty of \$3.10 on each barrel.

So far as liquor is concerned, we are indeed a nation of many nations. The twenty-first amendment of the Constitution is at fault. It contains a paragraph built along the lines of the old pre-prohibition Webb-Kenyon Act and designed to protect the dry states; the wet states have used it to promote the drinking of home products. The paragraph says: "The transportation or importation into any state, territory or possession of the United States for delivery or use therein of intoxicating liquors, in violation of the laws thereof, is hereby prohibited."

THE advantage taken of this paragraph illustrates the short-sightedness which is responsible for all the laws destroying internal free trade in the United States. The country's 650 breweries are located in 39 states. To make beer, every brewery uses hops, rice or barley. Only six states produce hops and rice; only seven produce enough beer to amount to anything. So small brewers who lobby for trade restrictions on "foreign" beer depend on free trade in hops, rice and barley.

Wine, too, enters the picture. Alabama has a \$75 license fee for sellers of wine which is made 75 per cent from Alabama grapes. The fee to sellers of non-Alabama wines is \$1,000. Georgia and Arkansas even have export taxes on alcoholic beverages shipped out of the State after being brought into the State. Only

citizens and residents of Massachusetts can solicit orders in Massachusetts for firms which "import" liquor from those outlandish places outside Massachusetts.

In all, there are liquor-trade restriction laws in more than thirty states. These laws not only seek to protect a state's manufacturers,



Temple in The Times-Picayune

We want no colossus of roads!

wholesalers and farmers; they serve to express a state's indignation at discriminations its products suffer in other states. Michigan embargoes beer from Ohio. Missouri prohibits the importation of all alcoholic beverages from states which place Missouri liquor at a disadvantage. Florida, Ohio and Rhode Island impose the same discriminatory fees as are levied against their products by other discriminating states.

5. Quarantines against the plant or animal products of competing areas, on purely economic grounds.

One of this country's chronic problems in international relations is the Argentine question. We need Argentina's assistance in the development of our "Good Neighbor" program and in restraining the influence of the totalitarian states in Latin America. But a standing ban on cattle from the Argentine interferes with our gaining that assistance. The ostensible reason for the ban is that Argentine cattle might infect our cattle with hoof-and-mouth disease. The real reason is that our cattle raisers wish to avoid the competition of Argentine beeves.

New York State has adopted the same attitude, directing its restrictions not against Argentina, but

against Wisconsin and other states. New York hid its economic provincialism behind the shield of Bang's disease. On October 1, 1932, the New York Commissioner of Agriculture and Markets forbade shipment into the Empire State of all cattle—even if free from Bang's disease—unless they came from herds "that had been certified as being completely free from the disease after three successive negative tests within a year previous to their arrival in New York."

The effect, says Dr. F. E. Melder, Clark University economist who studied interstate trade barriers for the Council of State Governments, was to force milk producers to rely on upstate New York herds for their milk cows, even though such cattle might be inferior or more costly than Western cows. Wisconsin used to ship about 7,500 cows a year to New York milk producers. The number fell to 516 in 1933, and in 1938, when the qualified herds in Wisconsin had risen to 23,971, Wisconsin sold only 1,073 cows in New York. And no steps are taken to insure that clean cattle are placed in clean herds in New York.

The automobile traveler knows all about Japanese beetle stations, cornborer inspection and other quarantine interruptions to the flow of automobile traffic. A good deal of this quarantine inspection work, which had a legitimate origin about forty years ago, is necessary to prevent the spread of disease. But many quarantines are phonies lacking a sound biological basis.

6. Limitation on the area from which fluid milk and cream may be supplied, by refusal to furnish health inspectors and by arbitrary changes in sanitary requirements.

The Health Officer in Washington, D. C., likes to boast about the purity of the milk which citizens of the Capital drink and of the cream they stir in their coffee. There the standards for herds supplying milk and cream and for the barns in which they are milked are the highest in the land. As a consequence, Washington pays a high price for bottled milk. And production is a sort of monopoly, because inspectors do not go beyond the "Washington milk shed," Virginia and Maryland. Michigan, Indiana and other Western milk states complain because their milk is barred from the nation's capital.

7. Taxing foreign trucks at excessive rates and regulating the dimensions, weights and equipment of

trucks and buses so as to discourage the use of the highways by the carriers of neighboring states.

In Wyoming the foreign truck pays fees to the county as well as to the State. On top of taxation is disconcerting lack of uniformity in truck sizes and weights which states permit on their glorious roads. Connecticut bars trucks weighing more than 20 tons. The limit in neighboring Rhode Island is 60 tons. Wyoming allows 24 ton trucks but next door in Montana the top is 42.4. An 85 foot truck which may traverse Georgia is outlawed in Alabama, where the limit is 40 feet.

And what if the truck in Alabama from Georgia is only 40 feet long? Its driver nevertheless will have his troubles. As soon as he crosses the Alabama line he must head for the county seat. There he looks up the judge of probate, who can be hard to find. From the judge he gets a permit to run his truck in Alabama. If he is trucking his own goods, he pays \$1.50 for a five-day permit. If he is carrying goods for another, he pays \$5.50. If he plans to take the load out of Alabama it's another \$5.50. Finally, he pays a mileage tax 50 per cent higher than that levied on trucks regularly registered in Alabama.

8. Use taxes.

The master of a farm near the Scioto River, which drains the center of Ohio, is John Smith. Mr. Smith is a devotee of Sears Roebuck, and he gives the mail-order catalog a good thumbing over whenever it appears. When he goes to Chillicothe and buys a pair of shoes, he expects to pay a sales tax. The levy is a nuisance though its settlement is simple. But when he orders by mail from Sears Roebuck in Chicago, across two state lines, either he or the mail-order house pays to Ohio a use tax of 3 per cent. Similarly, when he happens to be in, say, Indianapolis, Indiana, and buys shoes, he must acquaint the sovereign State of Ohio of the transaction and turn over to its treasury 3 per cent because of the use tax.

THIS use tax is a compensating levy invoked by nineteen states as a supplement to the general sales tax, to prevent evasion by residents who might buy goods outside the state. It is imposed on the privilege of "using, storing or consuming" tangible property. The nuisance involved in the settlement of the use tax tends

to discourage interstate trade. And it can burden interstate trade directly. If John Smith buys an automobile in Kentucky he pays a 3 per cent sales tax, and when he returns to Ohio he pays a 3 per cent use tax. Thus it is more expensive for him to buy a car in Kentucky than in his own State of Ohio. The use tax here is a tariff.

There are many more of these imposts which are Balkanizing our country. A half dozen of them can be listed quickly:

9. Premium taxes on insurance companies which do business within the state but do not have a certain proportion of their assets invested in the state.

10. Special taxes and license fees required of "foreign" corporations for the right to do business within the state.

11. Restrictions on the movement of labor across political boundaries; requirement of monetary proof of migrants' ability to remain self-supporting.

12. Limitations on the exportation of natural resources.

13. Establishment of state grades, standards and labels which do not conform to federal specifications or other states' specifications.

14. "Buy at home" advertising campaigns.

It might be interesting to ask the legislators enacting these trade-restriction laws whether they are familiar with Article 1, Section 10, of the Constitution:

"No state shall, without the consent of the Congress, lay any imposts or duties on imports or exports, except what may be absolutely necessary for executing its inspection laws, and the net produce of all duties and imposts, laid by any state on imports or exports, shall be for the use of the Treasury of the United States; and all such laws shall be subject to the revision and control of the Congress."

The cost to the nation is heavy. As Secretary of State Hull recently said, "The welfare of our own people can be circumscribed not only by international trade barriers but by barriers erected by our several states." Governor Stark of Missouri recalls that "the constitutional provisions under which interstate commerce is placed beyond state control were the

(Continued on page 64)

Herblock, NEA

Somebody started something.



Power Politics Over Palestine

The Holy Land has been the tragic chessboard for Great Britain's game of opportunism and duplicity

JOHAN J. SMERTENKO

NICELY timing its action to utilize the good-will and friendship aroused by the royal visit to America, the British Cabinet on May 17 made public the latest White Paper on Palestine. "His Majesty's government," states this important document, "now declare unequivocally that it is not part of their policy that Palestine should become a Jewish state."

Instead, the White Paper proposes the creation within ten years of an "independent" state in which Arabs will constitute a two-thirds majority. To achieve this it virtually prohibits further sale of land to the Jews and interdicts Jewish immigration after the next five years. During the intervening five-year period, Jewish, but not Arab, immigration is restricted to a quota of ten thousand a year, "if economic absorptive capacity permits," and, in addition, "as a contribution towards the solution of the Jewish refugee problem," twenty-five thousand refugee children and dependents will be admitted at the discretion of the High Commissioner.

Coming at a time when ships filled with refugees ply the high seas in search of a haven, and when more than two million Jews in Central and Eastern Europe must find a new homeland or perish, the publication of these proposals evoked a worldwide protest. The White Paper was denounced as a betrayal by both Jews and Christians here and abroad. In Congress a majority of the House Foreign Affairs committee called upon the State Department "to advise the British government that the contemplated action, if carried out, will be . . . viewed with disfavor by the American people." Dorothy Thompson voiced the general editorial opinion when she wrote in her syndicated newspaper column: "For a piece of disingenuous argument the latest British government White Paper deserves to rank with the late Runciman report . . . With a lot of weasel

words the government abandons any hope of ever making a real national home for the Jews in Palestine."

Equally harsh were the characterizations of the liberal British press. "There is no adequate reason why the government should have plunged into this headlong repudiation of our pledges and truckled so far to the Arabs as to endanger, if not destroy, a great constructive work," states *The Manchester Guardian*. Similarly, *The Daily Herald*, official organ of the Labor Party, declared: "The effect of such proposals is not merely to deliver a stunning blow at Jewry, but also to inflict grievous injury upon the good name of this country."

But it was in Parliament that the voice of the British people was heard most clearly in opposition to the government's decision. Led by the survivors of the statesmen who more than twenty years ago had issued the Balfour Declaration and assumed the Mandate "to reconstitute Palestine as the national home of the Jews," representatives of all parties criticized the Cabinet for "a plain breach of a solemn obligation." The Archbishop of Canterbury, Lord Snell, the Earl of Lytton, Sir Archibald Sinclair and other outstanding members of both Houses supported this attack on what they termed "an act of national perfidy which will bring dishonor to the British name."



Lloyd George reviled the Chamberlain government. He contradicted the argument of Colonial Secretary Malcolm MacDonald that the terms of the mandate could be interpreted to stop Jewish immigration, declaring that the notion that Jewish immigration would ever be restricted "never entered into the minds of those who had framed the mandate" and would have been regarded "as unjust and as a fraud on the people to whom we were pledged."

Speaking as a Conservative in the House of Commons, Colonel Leopold Amery, former Colonial Minister, said: "This White Paper, from beginning to end, is a confession of failure, a direct negation of the principles on which our administration in Palestine has been based, and a repudiation of the pledges on the strength of which the government of Palestine was entrusted to our hands."

Winston Churchill echoed these sentiments: "As one intimately and responsibly concerned in the earlier states of our Palestine policy, I could not stand by and see solemn engagements into which Britain has entered before the world set aside for reasons of administrative convenience or—and it will be a vain hope—for the sake of a quiet life."

At the same time the Liberal and Labor parties came out officially against the proposals. More important, as a climax to the attack on the new policy, Herbert Morrison, leader of His Majesty's Opposition, served notice that, if the Labor party came into power, it would not consider itself obligated to carry out the proposals. "I think it ought to be known by the House that this breach of faith, which we regret, this breach of British honor, with its policy, with which we have no sympathy, is such that the least that can be said is that the government must not expect that this is going to be automatically binding upon their successors."

But the most striking commentary on the White Paper was the speech of that militant and independent Liberal, Colonel Josiah C. Wedgwood. The astounded House of Commons heard his appeal to the Jews to rebel against the proposed laws at any sacrifice. This speech may become as sacred to Jewry as that of Burke has been to America.

"If they will resist now—and with their backs to the wall they must resist unless they are to lie down forever—they will realize that the sympathy and respect of the entire Anglo-Saxon world goes out to those who stand up for justice, stand up for equal treatment, and who will not continue indefinitely petitioning for justice and whining for mercy. . . .

"Unofficially I hear all sorts of excellent ideas about blowing up the pipeline, blowing up bridges, bombing . . . But that is not good enough. Your self-sacrifice must be for something that you believe in more than that. In the first place, the Jew has a human right of access to his home. Whatever the law may be about keeping out immigrants, every Jew will feel justified in doing everything he can to break that law. And, of course, it is easy to break. As long as there is unity nothing can withstand them. An immigrant ship can land immigrants at Tel Aviv as long as there are 150,000 Jews in Tel Aviv who want it. . . . Very often Jews feel that they must be respectable at all costs and the idea of doing anything illegal sounds to them disreputable. They have to get over that feeling and to realize that the really great thing is to make the sacrifice of their respectability and even of their lives in order to secure justice. . . .

"There is a Jewish majority in Jerusalem and the government insists upon the mayoralty and administration being in the hands of the Arabs. That is something which nobody can justify. There, too, the Jews will have the right and the duty to break down that form of government. They have already refused to take any part in it. Much the best way to smash that local administration is to refuse taxes and to see that taxes are not paid. In that way you can break down any government."

Alarmed by the widespread denunciation of its policy, the Chamberlain Cabinet took strong measures to force its adoption by Parliament. It refused the request to permit a vote independent of party lines, sent out "a three line whip" to muster its

greatest strength and announced that the vote would be regarded as a vote of confidence. The House of Commons adopted the motion—268 to 179. Of the 431 government members, twenty followed Churchill into the Opposition lobby and 140 abstained from voting. The anti-government vote was one of the highest recorded since the present Parliament was elected in 1935.

The momentous decision embodied in the White Paper is only superfi-

The beginnings of this conflict date back to November 2, 1917, when Lord Balfour, Minister of Foreign Affairs in the War Cabinet, issued the famous letter to Lord Rothschild which read as follows:

I have much pleasure in conveying to you on behalf of His Majesty's government the following declaration of sympathy with the Jewish Zionist aspirations, which has been submitted to and approved by the Cabinet. His Majesty's government



Almost overnight, a new city has sprung up in Palestine. Tel Aviv has modern business and residential buildings, spacious streets and recreational areas.

cially a victory of the Arab over the Jew. If it prevails, it will be seen eventually that the Arabs have not gained a particle of what the Jews have lost. For, more basically, it marks still another victory of power politics over international law and treaty obligations, which means specifically that Great Britain, having received temporary control of Palestine in legally assuming the mandate, now retains permanent control by illegally destroying the mandate. The history of the last twenty years in Palestine indicates clearly that this victory has been the fixed goal of those protagonists of British imperialism, the permanent Colonial and War Office personnel. That they did not achieve it earlier can be attributed as much to the fight put up by champions of British honor in Parliament as to the remarkable struggle which the Jews of Palestine have carried on against overwhelming odds. The ultimate result still rests on these two forces.

view with favor the establishment in Palestine of a national home for the Jewish people, and will use their best endeavors to facilitate the achievement of this object, it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish communities in Palestine, or the rights and political status enjoyed by Jews in any other country.

Some years ago Lloyd George explained the reasons for this act in Parliament. "The Balfour Declaration was made at one of the darkest times in the war. The French army had mutinied; the Italian army was on the verge of collapse; America had hardly started to come in. There was nothing left but for Great Britain to confront the most powerful military combinations the world had ever seen and we were in desperate straits. We came to the conclusion it was vital we should have the sympathy and co-operation of that most remarkable community—the Jews—in all parts

of the world. We proposed this to the Allies. France, Italy, the United States and all the others accepted. I bear testimony that the Jews responded nobly to the appeal which was made."

Now, though the meaning of this Declaration was perfectly clear to those who knew that "the Jewish Zionist aspirations" consisted of nothing more or less than the re-establishment of Palestine as a legally secured and recognized Jewish state, the statement was deliberately ambiguous and its various parts have been so construed as to cancel each other. The tragic irony of the situation lies in the fact that it was at the instance of the Jews themselves—and not because of sly reservations by the British Cabinet or special consideration for the Arabs—that the authors weakened the scope of the promise and infected it with ambiguity. The War Cabinet was willing to make—and did make—a definite and unqualified pledge concerning Palestine. On March 13, 1916, in a memorandum to Czarist Russia, whose presence among the Allies was responsible for Jewish lack of sympathy with their cause, it urged "an offer of agreement concerning Palestine which would completely satisfy the aspiration of the Jews." By June, 1917, consultation with the Zionist representatives brought forth a formula of agreement that was approved by President Wilson and the other Allies. On the basis of this formula the British Cabinet submitted to Wilson on September 19, 1917, what it called the final draft of its declaration. It stated:

(1) His Majesty's government accept the principle that Palestine should be reconstituted as the national home of the Jewish people.

(2) His Majesty's government will use their best endeavors to secure the achievement of this object and will discuss the necessary methods and means with the Zionist organization.

Wilson accepted this text and the French and Italian governments were informed that, if there were no objections, it would be made public immediately. There was no objection. Nevertheless, on October 10, 1917, a new version was cabled to Washington. It was the text eventually issued over Balfour's signature. Voicing the opinion of Justice Brandeis as well

as his own, Wilson objected to this version. He was assured, however, that the changes were merely verbal, made as a concession to the wealthy and influential Jewish assimilationists who feared that the existence of a Jewish state, in which they were not interested, would jeopardize their status as citizens of other countries. The phrase concerning the civil and religious rights of non-Jews, it was pointed out, was inserted at the request of the Zionist leaders who wished to avow that in their day of power they would not impose upon other minorities the disabilities which their people had endured for two thousand years. Under the circumstances Wilson could not insist on the earlier text. The Balfour Declaration was issued. And the struggle for Palestine began.

THAT the Declaration was being honestly interpreted by the British Cabinet and the Allies as a commitment to establish the Jewish state was soon apparent. On every possible occasion the leaders of British opinion echoed the statement of Lloyd George: "Great Britain extended its mighty hand in friendship to the Jewish people to help it regain its ancient national home and to realize its age-long aspirations." The other powers, including the United States, officially endorsed the Declaration in similar terms. Lord Robert Cecil specifically eliminated Palestine from Arab countries in presenting the Allied intentions for territorial distribution: "Our wish is that Arabian countries shall be for Arabs, Armenia for the Armenians and Judea for the Jews." In the monumental work, *The Rape of Palestine*, by William Ziff, a score of such utterances may be found from those who directed the policy of the British Empire.

But, in view of present developments, the most pertinent quotations were brought out in the recent parliamentary debate. They include the statements made by Prime Minister Chamberlain, whose government has just declared "that it is not part of their policy that Palestine should become a Jewish state." Speaking in 1918, Chamberlain recalled that fifteen years previously his father was anxious that a national home for the Jews be constituted within the British Empire. "Today the opportunity has come," he continued. "If the new Jewish state which is to be estab-

lished in Palestine is to be merely another isolated separate nation, then I think it is inevitable it must be the prey of political intrigues as have other small nations in the past. But if, as I rather hope, while preserving its own nationhood intact this new state should be associated with some great progressive people, such as those of the American commonwealth or the British Empire, then in such a case these fears would be groundless." Two years later Chamberlain, as well as four other members of his present Cabinet, signed the Conservative party's memorial welcoming the Balfour Declaration.

The powers of the Mandate working under the aegis of Wilson and Lloyd George naturally made explicit what was implicit in the Balfour Declaration. "The primary purpose of the Mandate as expressed in its preamble and its articles, is to promote the establishment of a Jewish national home," stated the British Royal Commission in 1937. The mandate made provisions for this achievement by imposing on Great Britain certain distinct obligations. These terms were largely based on a report presented by an American commission appointed by Wilson from among the outstanding academic authorities on the Near East. It recommended: (1) That there be established a separate state of Palestine. (2) That this state be placed under Great Britain as a mandatory of the League of Nations. (3) That the Jews be invited to return to Palestine and settle there, being assured by the Conference of all proper assistance in so doing . . . and being further assured that it will be the policy of the League of Nations to recognize Palestine as a Jewish state as soon as it is a Jewish state in fact.

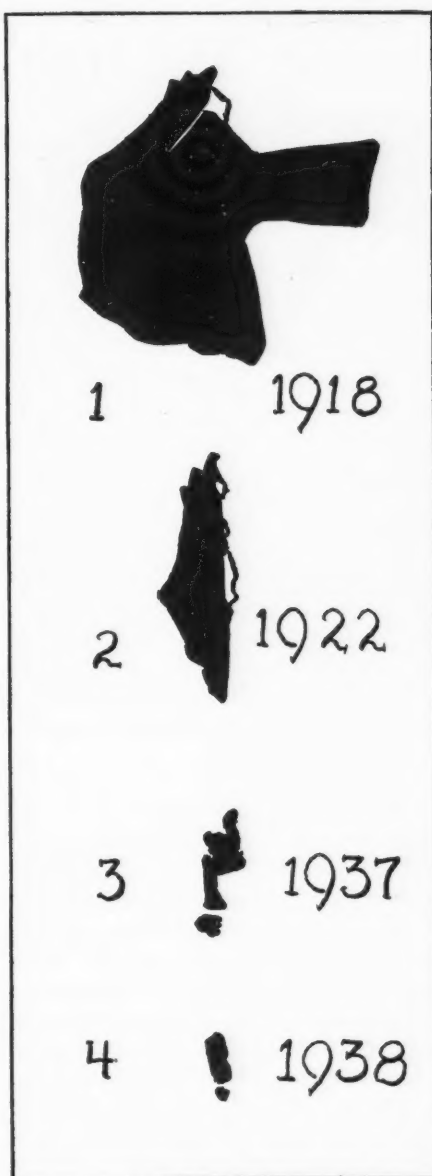
THE final stamp of approval of the Jewish state came from the Arabs themselves. In a formal document, dated February 3, 1919, the Zionist Organization submitted to the Peace Conference its program for effecting the Balfour Declaration. This was accepted by the representatives of the Conference including the Arab delegation headed by Emir Feisal, who wrote: "Our deputation here in Paris is fully acquainted with the proposals submitted yesterday by the Zionist Organization to the Peace Conference, and we regard them as moderate and proper. We will do our best,

in so far as we are concerned, to help them through; we will wish the Jews a most hearty welcome home. . . ." With the advice of Colonel Lawrence, Feisal then signed a Treaty of Friendship with the Zionist Organization.

Great Britain willingly assumed the obligations of the mandate—while France and Italy looked on with envy. Palestine, although a despoiled and desolate country at the time, was in a very literal way the Land of Promise. The development of commercial flying and of trans-desert motor traffic, the awakening of the Near East from seven hundred years of Turkish misrule, and the economic rehabilitation of Palestine itself through the money, energy and initiative contributed by the Jews restored to her her historic position of center and *entrepôt* of the world's trade routes. Again the Land of Israel was the crossroads of the main arteries of the eastern hemisphere. Precisely those factors which made it possible to establish an autonomous national home for the persecuted millions of Europe also made it profitable to retain administrative control over life and industry and taxes.

Even greater in importance to the life of the Empire is the strategic character of Palestine. What began merely as a protection for the east side of the Suez Canal has now become, through the growth of the Italian menace in the Mediterranean and in Africa, the keystone of Britain's defense for her "lifeline to India." The harbor of Haifa has supplanted Alexandria and Malta as the most vital naval base in the Mediterranean and, with the growing independence of Egypt, Palestine remains the only possible strategic base for the British army and air force. It is easy to see, therefore, how the military and colonial imperialists, who had just finished the World War for control of the East, would regard any situation in Palestine which again jeopardized that control. Their conclusion was a simple one: if the development of a Jewish state meant the abandonment of the mandate and withdrawal of Great Britain from Palestine, then there must be no such development. This conclusion called for power politics and for the traditional British colonial tactics—divide and rule.

The first Administration after the conquest of Palestine was military, under General Sir Arthur Money who regarded the Balfour Declaration as



The Jewish Herald, South Africa

The progressive diminution of the Jewish Holy Land from the Balfour Declaration in 1918 to the proposed partition of Palestine twenty years later. The Palestine of the mandate is shown opposite 1922, while the Peel Plan for a Jewish State is represented opposite 1937.

"damn nonsense." Its first step was to teach the Arabs, who had welcomed the arrival of the Jews and the resulting improvement in their own condition, that their interest lay in opposing the development of the Jewish national home.

On January 22, 1919, Vladimir Jabotinsky, founder and officer of the Jewish Legion which formed a vital part of Allenby's conquering army, wrote to Dr. Chaim Weizmann, president of the Zionist Organization, demanding a firmer stand in London to meet this situation.

"Not a day passes but some inciting speech is heard in Ramleh, concluding with a call to the Arab sword [he reported]. The action of the government proclaim openly and clearly that the Declaration need not be fulfilled. . . . The attitude of the government has taken on the appearance of an attack, organized by the subordinate officials who are free to do as they please. Forgive the bitterness in my letter; but I did not participate, in my youth, in self-defense organizations in order that I might now sit quietly and complacently watching while the Arabs have it drummed into their ears that it is possible to get rid of us if they will only give us a hard enough blow."

The first blow fell in April 1920. With the cry, "*Al dawlā Maana*" (the government is with us), agitators led a mob to the "Old City" in Jerusalem, where all Jewish policemen had previously been relieved from duty, and invited it to loot, rape and murder. Jabotinsky, who organized some of his ex-legionnaires into a self-defense group, was arrested and kept in the common jail while Arab leaders of the riot were accommodated in a room of the government quarters. Later he was sentenced to fifteen years at hard labor and served a year before the sentence was quashed.

At the same time the first partition of Palestine took place. The Peace Conference had plotted a Palestine of some 60,000 square miles bounded on the north by Syria, on the east by Iraq, on the south by Saudi and the Hefaz, on the west by the sea and Egypt. Now the government suddenly turned over to Syria some 16,000 square miles of territory, including some of the most necessary land for industrial and agricultural development. President Wilson, sick and impotent, cabled his protest to the British.

It was in vain. A year later riots throughout Palestine were followed by the immediate suspension of immigration, which had been instilled into the Arab mobs as one of their "demands." The Haycraft commission's inquiry whitewashed the guilty and gave a specious form of legal justification for the further concessions in 1922 and the loss of 34,000 square miles of territory in the separation of Transjordan from western Palestine.

In the years that followed Communist Russia, turning to the east to

(Continued on page 63)

Railroads in the Red

Among all the pet theories for aiding railroads no one has yet suggested killing them

CHARLES W. HURD

Washington Correspondent of "The New York Times"

No child of the New Deal, the railroad dilemma is a mature problem which has been agitating the country since the days of Grover Cleveland. For years the problem has been filled from top to bottom with politics. Now grim necessity has started to shake the politics out of it.

Today railroads and their rates are in the news again. When several of the great systems serving the northern United States announced they would institute "zones" for basic passenger traffic, attention was once more directed to Washington where railroad legislation is still on the "must" list facing Congress during its closing weeks. A perennial orphan, the railroad problem, always acute in the past ten years, has been intensified both by the business slump since 1937 and the rapid growth of competition.

The fact that legislation is on the "must" list does not mean a definite plan will be forthcoming. A step, however, was taken late in May when the Senate passed, seventy to six, a voluminous bill designed primarily to enlarge the jurisdiction of the Interstate Commerce Commission to include all form of interstate commerce. It would give the railroads opportunity for improvement equal to that now enjoyed by their chief competitors—trucks, buses and barges—and would subject all to equal supervision. In addition it would provide for a special court to handle bankruptcies. Another measure, the Chandler bill, to facilitate reorganization and to reduce swollen capital structures awaits the President's signature.

The Senate bill proposes a long-range program, as contrasted with Reconstruction Finance Corporation stop-gap loans which for seven years have been applied like poultices to the sorest spots on corporate anatomies.

The problem is acute because the

railroads are indispensable. Collectively speaking they are starving to death, but it is unthinkable that they should cease operations. Although they suffer from every improvement in twentieth century transportation, nothing can take their place. Agriculture and industry depend on them more than on any other form of transportation and the public economy demands that the trains run, regardless of profit and loss.

ONLY the railroads can handle heavy freight in quantity. Only the railroads can handle the commuting problem of the largest cities. At the present stage of development, their passenger services are indispensable. Yet, with a few exceptions, the railroads are running at a loss and too often under trusteeships, a condition similar to that of a private business being operated by bondholders hopeless of salvaging something.

With the exception of half a dozen larger roads, none can make ends meet in the \$60,000,000,000 economy which is supposed to be the gauge of current business in the United States, and even the raising of business to an \$80,000,000,000 level would help them little.

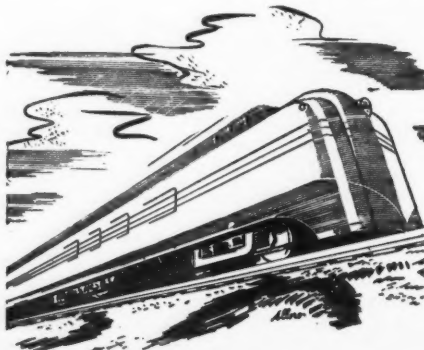
Railroads have too much money invested in them. With current operating revenues yielding virtually no profit, they must try to carry capital securities estimated by competent

authorities to be \$22,000,000,000 of which \$12,000,000,000 represents bonds, debentures and trust certificates requiring fixed interest payments, and the remainder, preferred and common stocks. About one-fourth of the total is against insolvent roads. Consequently in 1937, a relatively prosperous year and the last one for which there are figures, the railroads paid dividends on only \$3,890,000,000 worth of the \$10,000,000,000 stock outstanding.

In that year, the last of record, and concededly a better one than 1938 or the early part of 1939, the railroads took in a little more than \$4,000,000,000 and spent on direct operation a little more than \$3,000,000,000, or about 75 per cent of their income. At the same time, according to reliable reports, they paid out 30 per cent of their income on fixed charges in addition to operating expenses—i.e., 8 per cent for taxes, 12 per cent for upkeep and maintenance of rights-of-way, and 10 per cent in interest. These figures account for 105 per cent of operating revenue, leaving less than nothing for interest in default, amortization, replacement of equipment and the thousand and one other items which keep a transportation system up-to-date.

Of course, certain railroads have never been solvent. No industry can show a perfect record, and probably no industry has experienced the same amount of pirating and skullduggery which have accompanied isolated cases of railroad development. Thirty years ago the railroad picture was quite different than it is today.

Just one generation ago, the railroads generally were efficient, prosperous and arrogant, aware of the country's need for them and proud of the monopoly they exercised. In 1910 crack passenger trains and "red ball" freights roared through the country, giving service, paying profits—and making enemies. They owned much



A Railroad Man Looks at the Railroads

At the recent General Session of the National Industrial Conference Board, in New York, J. J. Pelley, President of the Association of American Railroads, presented a seven-point analysis of the railroad problem and a five-point basis for its solution.

Current railroad troubles, said Mr. Pelley "are not caused" by:

1. *Failure of railroad service.* Passenger train mileage at sixty miles an hour or better in 1938 totaled more than 40,000 miles a day, against about 1,000 miles in 1929.

2. *Nor by increasing cost per unit of transportation service.* Despite the drop in business and tonnage during the depression the operating costs declined by 1937 to \$6.41 for moving a ton of freight 1,000 miles—a saving of \$1,500,000,000 over costs for the same tonnage at the 1921 level.

3. *Nor by excessive railroad rates.* For comparable service, American railroad rates are lower than those of any other form of general transportation anywhere.

4. *Nor by excessive capitalization.* Railroad securities of all sorts outstanding in hands of the public come to less than 19 billion dollars, compared with present valuation, allowing for depreciation, of about 21 billions, and total investment in railroad property of about 26 billions.



J. J. Pelley.

5. *Nor by increasing railroad debt.* Last year the railroads owed only \$439 per thousand dollars invested in their property, against \$6,000 per thousand thirty years ago.

6. *Nor by over-expansion of mileage.* Useless mileage is being continually abandoned, the total since the World War being 20,000 miles of line.

The trouble with the railroads today, said Mr. Pelley, is that they "do not take in enough money."

The solution, he added, will come only when every form of transportation is treated alike in matters of taxation, regulation, subsidy and public policy generally—"in short, when there is a square deal in transportation."

Such a square deal, according to Mr. Pelley, would involve:

1. Requiring highway and waterway carriers to pay their proper share of the cost of maintaining the ways they use, and a fair contribution to the support and operations of government.

2. Equal regulation to all forms of transportation, to be administered by the same public body or bodies.

3. Retirement of the Government from the transportation business through its operation of the Federal Barge Lines, in competition with its own taxpaying citizens.

4. Relieving railroads of the requirement to construct or reconstruct bridges made necessary by navigation projects, and of the cost of eliminating grade-crossings beyond that represented by direct benefit to the railroads.

5. Repeal of the land-grant statutes, under which the government enjoys preferential rates on its traffic in return for grants of lands made many years ago to encourage the building of railroads into the wilderness.

of the best land, set their own rates within the limits of sketchy regulation, and to a large extent acted as over-lords of American economy. Their securities were gilt-edge, issued and re-issued in pyramids to avid investors—among them, insurance companies, trusts, widows and orphans.

During this era intercity bus and truck operation hardly existed. The railroads had a net capitalization of \$14,375,000,000, received a net operating revenue of \$2,812,000,000 and had operating expenses of only \$1,881,000,000. Interest was met on almost all fixed obligations and dividends were paid on stock with an aggregate value of \$5,412,000,000.

Ten years later when the railroads were recovering from the shock of government operation in wartime and operating on radically new and higher income and cost levels, they were nevertheless holding their own, show-

ing a profit on volume, although a small one. Net capital had been increased by \$2,600,000,000 in a decade, but dividends were paid in 1920 on more than \$5,000,000,000 worth of stock. Operating revenue soared to \$6,310,000,000, with operating costs winging up to \$5,954,000,000. The condition was unhealthy, but the country was optimistic and buses and trucks still were subject to broken axles, engine failures and uncertain schedules.

WITH the rest of the industry, the railroads rode the boom through 1929, with a further increase in net capital, only to be caught in 1930 with an operating revenue of only \$5,356,000,000, compared with an outstanding paper value of \$19,065,000,000.

Although railroad depression was on with a vengeance in 1930, the

roads scraped from reserves to pay dividends on stock worth \$7,702,000,000. Freight had dropped off very little between 1920 and 1930, operating revenue on this score sagging only from \$4,420,000,000 in 1920 to \$4,145,000,000 in 1930, but in the same decade passenger revenue on the railroads fell from \$1,304,000,000 to \$730,000,000.

The end of 1937 found the railroads already suffering from accumulated ills which hindsight shows were developing long ago. While their capital structure held almost at the 1930 level, operating revenue fell back to \$4,250,000,000 and operating expenses remained about \$3,000,000,000. Meanwhile all their taxes were higher and deterioration was more and more serious. Freight revenue in that year fell to \$3,428,000,000—it is lower today—and it is notable that the 1937 freight revenue just about hit an average between the

incomes for 1910 and 1920. On the passenger side it dropped to a thirty-year low of \$443,000,000.

Much of that shrinkage was due to the depression, but a very large part was due to competition. Bus and truck statistics are still almost nonexistent, although any motorist can form his own picture of the size of

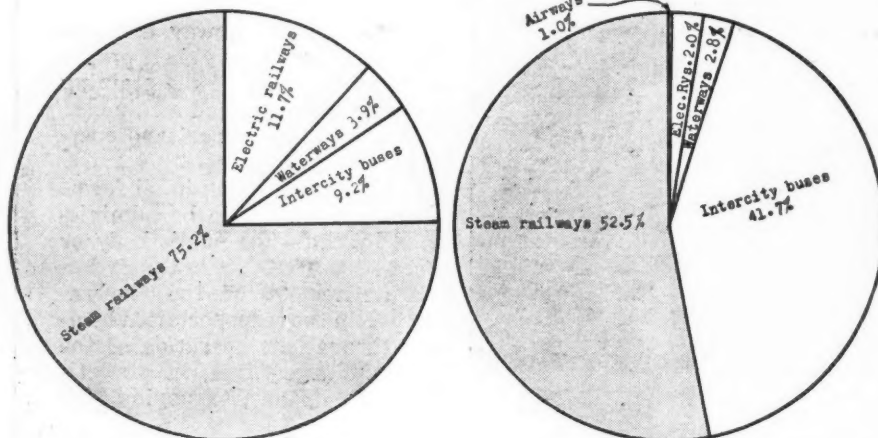
freight for which speed is no object. Here the government is competing with the railroads by building up an intercoastal fleet, with the aid of subsidies, and then subsidizing operations of the vessels so built.

If the railroad industry alone were involved, the situation would be serious enough from the investor's stand-

that \$2,000,000,000 more probably would be in the near future. Mr. Benson is not a sensationalist. He is extremely conservative, a banker.

In the absence of miracles, and faced with taxes, wages and similar charges that will probably remain above pre-depression levels for some time to come, the roads appear to face three alternatives, all of them distasteful. These are:

1. Government ownership.
2. Continued operation with the assistance of government loans.
3. Going "through the wringer" by the bankruptcy route with huge direct and indirect loss to investors. If this procedure were drastic enough, most railroads could operate at a profit with current business and current revenues, although the profit would be a small one.



In 1926 railroads handled 75 per cent of the nation's passenger traffic. By 1937 the percentage had dwindled to 52 per cent.

the business. Total truck traffic cannot be estimated accurately until the I.C.C. completes its statistical program.

As for buses, there is one little figure available which tells a great deal. It shows that in 1937 buses operating on intercity routes—the buses which compete directly with railroads—enjoyed a revenue of \$298,000,000. This figure reveals that people—aside from persons who drove their own cars—paid more for public motor transportation in 1937 than they paid for railroad tickets in 1930. (But they paid three-sevenths of the 1937 expenditures for bus tickets.)

ALTHOUGH what truck competition actually amounts to is as yet unknown, the fact that trucks have not only captured much basic freight but frequently "skimmed the cream from the milk" is serious.

Because all tons of freight do not pay the same rate the phrase means a ton of coal or iron ore pays considerably less per mile than a ton of manufactured automobile or fruit. In many cases now the railroads still haul the coal but the fruit goes by truck.

Then there is the as yet negligible but growing factor of water competition, which affects primarily heavy

point. The problem, however, is national in scope because more than investors in railroad securities are involved. In addition to the primary problem of maintaining the backbone of transportation, there are several millions of persons who have a definite although indirect stake in the railroads to the tune of \$4,000,000,000.

These investors are not individuals who speculated in railroad securities in the hope of making capital profits, but are participants in trusteeships. They include holders of policies in life insurance companies with \$3,000,000,000 invested in railroad securities, and depositors in savings banks which own \$1,000,000,000 worth of them.

Such investments, of course, include the best of railroad securities, but lacking a reconstruction program soon there will be no more "best" securities. It must be remembered that of all the railroad paper outstanding, 25 per cent is against insolvent roads.

Philip A. Benson, president of the American Bankers Association, in a recent speech in New York City, asked for a "fair chance" for the railroads, and went on to say that \$3,000,000,000 worth of railroad bonds already have been stricken from the list of securities acceptable for investment by savings banks and

GOVERNMENT ownership is urged by a sizable but not a controlling group. For instance, William Green, president of the American Federation of Labor, looking to maintenance of wage scales estimated as being 5 to 7 per cent above pre-depression rates, has termed it "the only solution."

Federal operation would save the railroads considerable taxes and would cut costs by removing competitive regulations now strictly enforced by the I.C.C. But few people think these advantages outweigh obvious disadvantages. There is no guarantee that the government would maintain wages. The saving in taxes would be fictitious for the government would have to make up this revenue elsewhere, as would every county which now collects real estate taxes from the roads. Finally, politics undoubtedly would enter into railroad operation and, as a last argument against government operation, the experience of every country which has nationalized its roads shows that government operation is no more economical than private operation.

Private operation is favored by most conservative opinion, such as that voiced by Jesse Jones, who as chairman of the Reconstruction Finance Corporation, has carried responsibility for government loans to railroads.

However, he, with the rest, concedes that R.F.C. loans do not offer a permanent solution, for it does no organization any good to continue operations under a procedure that

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McCormick of the "Times"

For 20 years her name has been outstanding on a newspaper known as a "man's preserve"

L. C. GRAY

If anyone except the most erudite geographer had been asked before last winter to locate the town of Huszt, he probably would have been stumped. In early March, however, Huszt made world-wide headlines as almost the comic-opera capital of an independent Carpatho-Ukraine. Czecho-Slovakia was in the death throes. At Huszt men had visions of Ukrainian independence; they declared that independence and fought the Czechs to maintain it.

An American newspaper correspondent was in the dilapidated town while history was being made. The correspondent, a woman, cabled home what she had seen—of the bullets that whistled through the streets of Huszt, of the arrival of Hungarian troops, of the Ukrainian hopes and how they were blasted. She was Anne O'Hare McCormick of *The New York Times*, and she was writing another news story of world-wide significance.

For Mrs. McCormick, Huszt was but an interlude in the round of reporting Europe. A few weeks ago her reporting brought its own reward. On June 12 Smith College conferred upon her the honorary Doctorate of Laws. A week earlier, a jury of six professional women representing the New York Career Tours committee, itself the child of many American women's organizations, decided that Mrs. McCormick should be named "The Woman of 1939." The citation, emphasizing "accuracy and brilliancy," contained this praise: "When you state a fact it comes as close to that elusive quality—the truth—as honest human endeavor can make it. And always you make that fact vitally interesting."

For two decades Mrs. McCormick, now in her fifties, has been questing after truth in Europe. If the quest has not led her to truth in the abstract, it has surely given her greater knowledge of post-war Europe than almost any other woman possesses. She knew Rome in the pre-Mussolini days of parliamentary confusion. She saw the Ruhr in the un-

happy days of French occupation. She has been buzzing up and down the Continent, year after year, observing, questioning, talking, writing.

There is hardly an important figure in a European Chancellery who has not seen this energetic little woman enter his office, vivacious, sparkling, dressed not smartly but with taste and a sense of style, ready to put her question to him in her deep contralto voice. Sometimes it has been Mussolini in the famous great office at the Palazzo Venezia—though of late Il Duce has been less accessible. Or the Pope; both Pius XI and Pius XII have given Mrs. McCormick, herself a Catholic, audiences. She has talked with Reichsfuehrer Hitler and only last winter saw Polish Foreign Minister Josef Beck in his dimly lighted Warsaw office with its horoscope-decorated ceiling.

In preparation for her first formal interview with Mussolini she read—even though her Italian was none too good—the then new *Law of Corporations*, a thick, legal tome. The preparation proved most fortunate, for Mussolini began by asking: "What in Italy interests you most?" "The new law for the corporate state," was the reply. "Have you read it?" he asked. The affirmative answer brought him, smiling, from his seat, hand outstretched. "Congratulations, you and I are the only ones who have!" After that for many years there was no difficulty in getting to see Il Duce.

Treat an official personage as though he were a human being, is one McCormick rule for interviewing. Don't take notes, for they may distract, is another. By and large interviews add little information about a man's views—he usually reserves an important statement for a public speech—but there is value in the opportunity to study personality, to detect mannerisms that may be clues to conduct, to obtain a sense of first-hand acquaintance with a man whose every act may be of wide significance.

The datelines of Mrs. McCormick's



Anne O'Hare McCormick

dispatches in the first four months of this year bear witness to her energy and activity. Though some dates have been omitted, her schedule was approximately this: January 1, Cairo; January 6, Jerusalem; January 13, Rome; February 3, Budapest; February 10, Belgrade; February 12, Vienna; February 17, Berlin; March 5, Warsaw; March 10, Lwow; March 16, Budapest; March 23, Bucharest; March 31, London; April 9, Paris.

The results of years of activity, of all these train trips and auto journeys, conversations and interviews are embalmed in nine fat envelopes in the morgue of *The New York Times*. How many words Mrs. McCormick has written she probably has no idea, but her articles have been features of *The Times Sunday Magazine* for twenty years. She has sent European news dispatches to the daily *Times*, and for the past couple of years has written fairly regularly a column that appears Mondays and Saturdays on the editorial page.

To become an outstanding name in journalism—traditionally a man's world—is an accomplishment for any woman. For a woman to become an outstanding name on the *Times* is something more, because that paper, more so than most of its journalistic contemporaries in an age of feminism, has remained a man's preserve. But Mrs. McCormick has gone further; in 1936 she achieved the unprecedented by becoming a member of the editorial writing staff of the *Times*, sitting daily with the board that decides the policy of America's most influential paper.

After journalism, art is Mrs. McCormick's chief interest. If she had
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Argentina vs. United States

Despite Washington's good-will program, Argentina remains a stumbling block to Latin-American harmony

CARLETON BEALS

Authority on Latin-American affairs; author, "The Coming Struggle for Latin America"

As a gesture of good-will, the President's order directing the Navy to purchase Argentine corned beef in preference to the domestic product will certainly do Uncle Sam no harm in the eyes of Argentina. But it would be a mistake to suppose that this simple little act will be enough to convert the marked coolness between Washington and Buenos Aires into a strong and lasting friendship.

For Argentina continues to resent—and this resentment has taken the form of strong political opposition to the United States—our general policy toward her leading national product, beef. President Roosevelt's order to buy Argentine corned beef in effect was that of a carpenter ordering a half-dozen nails from a wholesale hardware house. The insignificant amount we wanted to buy meant nothing to Argentine economy.

Moreover, much of whatever good-will there was behind our order was canceled when vociferous American cattle interests shouted protests from one end of the country to the other. Argentinians asked themselves what likelihood there would be of a normal, full-sized beef trade with the United States if such a mighty clamor arose when we ordered a virtual thimble-full—and then only because we had hardly enough of the domestic product to supply our own needs. As though to underline our feeling on this question, we refused to allow Argentina to include displays of chilled beef at her exhibits in the San Francisco and New York Fairs. That was like inviting a peacock to a beauty show and ordering him to leave his tail feathers home.

Technically, we exclude Argentine chilled meat on "hygienic" grounds; we want to guard against the possible spread of hoof and mouth disease. Actually—Argentina is willing to submit her chilled beef to as strict medical examination as we might

require—our desire is to protect the home market against competition from abroad. Argentina argues that our ban is hypocritical and unfair. Nevertheless, it continues—an obstacle to Secretary of State Hull's trade reciprocity program.

Argentinians do not take the ban lightly. "We'll run our last year's cars and trucks down to the rims before we'll buy American," a prominent Argentine cattle-breeder recently threatened. "We'll buy our new cars in Europe," is another familiar cry.

Nor are these empty threats. America's automobile business in Argentina has dropped off 30 per cent for the first two months of this year as compared to the same period of 1938. And while American motor car manufacturers wrinkle their brows over these figures, German and British automobile officials gleefully plan to convert our loss into their gain.

MEANWHILE, America's unpopularity in Argentina is widespread. For Argentina—quite aside from her resentment over our trade policies—is suspicious and even jealous of the United States. Desperately anxious to maintain her position as the leading nation of South America, she looks askance at any help or manifestations of friendliness by the United States toward Chile or Brazil. When the United States recently completed arrangements under which Brazil would receive a substantial loan and military equipment, Argentinians shouted to high heaven. Officially, the Argentine reaction to our assistance to Brazil took the form of sweeping new import restrictions against American goods—which may mean a 40 per cent decline of our shipments to Argentina—and of new barter arrangements with the totalitarian powers. The fine hand of Argentina was also seen by many ex-

perts in the confiscation of Standard Oil properties by Bolivia.

Thus revolve the wheels within wheels of South America. Perhaps, too, there is another factor. It may very well be psychological. More so than any other nation in South America, Argentina—like the United States—has a population that is largely European in origin. Argentina's climate also is much like ours. The combination has helped develop a country in many respects similar to our own. Its railways, schools, industrial organization, press, even its habits, show advanced development, and the development continues.

In all this progress, Argentinians have taken considerable pride. They have become strongly nationalistic—with a nationalism intensified, no doubt, by the up-to-now condescending attitude of the United States, with which Argentina considers herself on a par. Our exclusion of her leading export on sanitary grounds was a blow to her dignity which she did not intend to take without retaliation.

It is not surprising, therefore, to find that the United States has become the favorite football of keenly nationalistic organizations in Argentina and even of the lunatic fringes. The Nationalistic Youth Alliance and the Spanish Phalanx, both Fascist organizations, parade and demonstrate against the United States. Placards are posted to emphasize their contention that our good-neighbor aims are a blind for ulterior purposes, that our real intention is to foist a "Jewish-Protestant plutocratic" rule on all South America.

Even were we to open our markets to Argentine beef, our professions of good-will would still sound hollow to many Argentinians. We don't want Argentina's wheat, wool, cotton, corn, fruits, rice, peanuts, sugar, apples or grapes. We don't want them because we either have them already or have

commitments to get them from other nations. Will Rogers once remarked that Argentina exported to us wheat and gigolos, that we receive too little of the former, too many of the latter.

Argentina has a number of minor products, however, which the United States could use to advantage: linseed, vegetable oils, tannin, furs, tin, wolfram and vanadium. But lacking the ability of the totalitarian powers to direct purchases abroad, the United States can only hope that our importers will buy enough of these minor commodities to make up for the major commodities we do not buy.

In invoking the plea of our self-sufficiency as an excuse for not buying Argentina's leading goods, we have good reason to expect that Argentina will use the same argument against us. Thus her oil, iron, steel, building, lumber, cotton, sugar, coal, textile and shoe industries have received substantial government aid in their development. Argentina has even taken to the manufacture of railway locomotives. Industry is to be diversified, imports controlled.

The totalitarian powers have capitalized on the difficulties between Argentina and the United States. Germany has completed barter arrangements with Argentina and adjacent countries and has accompanied her political and economic "missionary" work with a campaign of propaganda. A great many Argentinians have shown signs of worry over the German threat. Nazi agents have been placed on trial in Argentina on charges of attempted arson of non-Nazi newspapers, and of violence and property destruction. The Argentine press, particularly the anti-Nazi papers, bristled with anger at the recent report of a so-called German plot to seize Patagonia.* Anti-Nazi demonstrations following this report forced a government investigation, which was largely ineffective.

Numerous Nazi and Fascist organizations, both foreign and native, continue to flourish. Argentine Nazi groups apparently have been plotting to foment an armed filibuster into Chilean Patagonia. Meanwhile, the Chilean Nazis, who have been working on a similar Chilean putsch, have issued posters declaring that the whole of Patagonia belongs to Chile, and that "the liberating Phalanx will free Chilean Patagonia



South American Primer, by
Katherine Carr (Reynal &
Hitchcock).

Carrot-shaped Argentina can trace many of her troubles to geography. She has five nations on her borders, and at one time or another, each of them has given her cause for worry. At one time the boundaries of Argentina included Uruguay, Paraguay, and Bolivia. Though there is little likelihood that these original boundaries will be restored, Argentina has managed at least to complete arrangements with those three nations whereby they are brought within her "sphere of influence." But Argentina's relations with her remaining two border nations, Chile and Brazil, are far less cordial. Patagonia, southern part of Argentina, extends into Chile and has been a sore spot in the relations between the two countries. Argentina's differences with Brazil are largely in the realm of power politics; she is desperately afraid that her giant neighbor—largely through the aid of the United States—will attempt to displace her from her position as South America's leading nation.

*Patagonia is a section of South America located principally in the southern part of Argentina but extending also into Chile.

SOME thirty years ago Bryce, with a prophetic eye, wrote as follows: "In this immense fertile and temperate country with hardly six people to a square mile, what limit can we set to the growth of wealth and population? Already the nation is larger than the Dutch or Portuguese or Swedish. . . . It may one day be the most numerous among all the peoples that speak a tongue of Latin origin."

The area of the Argentine Republic is 2,797,113 square kilometers, in other words more than 200,000 square kilometers greater than the pre-war area of Belgium, Denmark, Germany, France, Holland, Norway, Portugal, Sweden, Switzerland and Spain combined!

The constitution of Argentina which, with certain small exceptions is almost the same as that of the United States, provides the best example to be found of the application of English law under Hispanic administration, of the grafting of a shoot from Anglo-Saxon genius on a stock whose roots grew in Latin soil.

In such matters as affect the government as a whole, control is in the hands of the central government. The governors of the various provinces elected by the people, are invested with very extensive powers, and are independent of the central executive.

—*Introduction to Argentina* by Alexander Wilbourne Weddell, Ambassador to Argentina.

from the Argentine yoke." The Phalanx, promoted by the Spanish Franco government, is an organization now found in all Latin countries. German Nazi organizers are connected with it, and the United States is its principal target of abuse.

The charge that the Germans are planning to take over Patagonia has been in the air a long time. It became concrete when Heinrich Jurges, a German emigré, whose wife had been sent to a Nazi concentration camp, produced documents which were published in the liberal press. The storm was so great that the government had to act. Alfred Mueller, the local German Fuehrer, was arrested, amid protestations by the German embassy that the documents were false.

The Federal Prosecutor has now released Mueller, stating that the evidence is "insufficient to warrant prosecution," and has strongly recommended the punishment of Jurges for perjury. The Ortiz government, moreover, has apologized to Germany. Discreet press comments hint at an official whitewash, but the outcome in any case is a definite setback for the anti-Nazi forces.

FROM the first the Ortiz government either took little stock in the charges or did not want them aired. It made repeated assurances to Germany that the investigation and any limitation that might be placed on local Nazi organizations in no way affected Argentina's friendly feelings toward the Reich and had no bearing on existing trade agreements.

Nazi efforts to embroil Chile and

Argentina run counter to Argentina's efforts in the last few years to build up a set of alliances against Brazil. Argentine capital, inextricably intermingled with that of England and Italy, and now that of Germany, has penetrated Uruguay, Paraguay and Bolivia, long satellite nations constituting a "Caribbean area." Argentina has her own "imperialism," a definite policy of economic penetration and political tutelage in adjacent countries. She has watched carefully Brazil's efforts to exercise similar economic and political influence in those countries; she has observed bitterly the expansion of American capital in Brazil.

Brazil has made successful counter-raids upon Uruguay and Paraguay, and is striking toward Bolivia with roads, railroads and new plane services. Argentina feels herself encircled; so does Brazil. In this tug of war, Chile has occupied a peculiar position. Chile and Brazil, both fearing aggression by Argentina, the big navy country, the best armed, and boasting the biggest array of war planes, were long close allies. Only a few years ago, border clashes occurred between Brazil and Argentina, also Chile and Argentina. When landslides occurred on the trans-Andean railroad, Chile, to discourage any possible attack, delayed repairing the damage. Chile had spy jitters, arrested Argentinians, even forced a high diplomatic personage to leave the country under suspicion of such activities. Brazil's efforts were also directed toward bringing Bolivia into the Chilean-Brazilian alliance.

Argentina strove desperately to

combat this, and her success in gaining the economic and political upper hand in Bolivia may partly explain Brazil's new eagerness to turn toward the United States for loans and armaments. Argentina also made close connections with Peru, and strove to break Chile away from her alliance with Brazil. A long-smouldering boundary with Chile was arbitrated in friendly fashion. New trade treaties were made. Soon after, the rise of the Chilean Popular Front government cracked the last intimate ties with dictatorial and totalitarian Brazil. Today not only has repair work on the trans-Andean road been pushed, but a new line is being driven through the Andes.

Brazil, cut off from her Chilean alliance, frustrated considerably in Bolivia, is now frantically rushing armaments to match those of Argentina, an activity which we, the Germans and the Italians are helping to promote.

SOUTH AMERICAN power politics thus cuts across the whole pattern of the American good-will policy. Though Washington has done much to checkmate totalitarian influence to the south, a common front of American nations for that purpose remains a romantic dream. The southern nations have constantly jumped over the traces.

The election of President Roberto Ortiz two years ago seemed to promise a new deal in Argentina-American relations, and led to a brief interlude of back-slapping. Former President Irigoyen, for almost a generation the political boss of the country, had always been anti-American. His successor, Uriburú, who seized power by armed coup, was briefly more amenable, but soon turned against us, and even promoted brown-shirt movements. At times, President Justo, the next Executive, leaned heavily on those same Fascist elements and prevented other factions from exercising democratic rights. But gradually Argentina's long democratic tradition was reasserting itself, and the regime was rapidly becoming more friendly to the United States.

Ortiz, who promised to restore civil liberties and in good part has done so, seemed a perfect choice from the viewpoint of American diplomacy. Known to be a capable administrator in previous high gov-

ernment posts, he had reduced Argentina's debt (to the delight of American bond-holders), improved and beautified Buenos Aires, and so expanded and modernized port facilities that by comparison New York's harbor facilities are an old-fashioned junk heap. A self-made millionaire, he was closely tied up with various British, American and Italian business interests.

And so six United States super-bombers flew down magnificently in record time to welcome him into the Presidency. Soon after, eight American army aviators became instructors to the Argentine air force. Sure enough, the onerous trade-quota system was abandoned, and though exchange restrictions still forced our merchants to pay a 20 per cent premium over nearly all other countries, our exports to Argentina crept up and up, finally outdistancing even those of Great Britain. New road building created a demand for American autos and trucks. Ortiz' nationalistic program of creating diversified industries, for the time being, called for the importation of more American machinery.

For some time Brazil had been looking doubtfully at our growing friendship with her rival, and resentfully coquetted with Germany. The two jealous South American rivals make a difficult team for the paternalistic good-will policy of the United States to drive in tandem. Natural resentment at our cordiality toward Argentina, plus surplus cotton, plus a very active German colony, plus fine transatlantic steamship and air service, drew Brazil constantly closer to Germany, whose doctrines of government were more agreeable to Dictator Vargas than are our own.

The State Department sent down clever Jefferson Caffery to Brazil to outwit the Nazis. Successive offers of

loans, battleships, trade assistance, army, navy and aviation experts, gifts of quinine seedlings, promises to buy Brazilian rubber, and numerous gestures of military strength and friendship, have gained us more nearly equal rights in Brazil with the totalitarian powers.

But Argentina's cordial sentiments towards us froze up correspondingly. Soon she was sending us a sharp protest against our efforts to dispose of subsidized wheat in the Brazilian market, where Argentina now sells more goods than England. Argentina's feelings of wariness toward us revived. She heeded British warnings that she would lose her best market unless she bought more goods from the Empire. And so, even before the Lima conference of American nations late last year, Argentina had announced—though she signed a promise to the contrary—that she would restore the quota system so distasteful to us. It was resumed January first, eight days after the ink was dry on her Lima pledge not to put up any new barriers of this nature against our trade and to reduce any already in existence.

ASIDE from these economic compulsions, there is ample reason for Argentina's broad international outlook. Her high agricultural development, her great wealth, have placed her at the head of all other American nations except the United States. Greater Buenos Aires, by the census of a few weeks ago, is now larger than Chicago, and one of the most beautiful of cities. Argentina has the best and largest public school system in Latin America. She is the only South American country with an authentic theater. Her writers merit international attention. She has produced some of the world's leading authorities in jurisprudence and international law. Argentine painters, if mostly unknown in New York, are hailed in Paris. Musical attainments are considerable, the gaucho melodies providing an inexhaustible source of folk music. Argentine film production increased more than 100 per cent in 1938. Buenos Aires has seventy daily newspapers—some with millions of circulation—and 735 periodicals in all. Argentina's spirit is cosmopolitan, her outlook wide, her international contacts numerous, and her pride too great to permit her to depend for



Argentine President Ortiz

leadership on the United States or any other country.

In late years a shadow of doubt has spread over the country. The depression hit Argentina hard. She came to realize just how dependent she was on foreign markets and on world prices she could not control. She saw that her purely agricultural role was hazardous. World competition in her products was getting constantly keener.

The result has been a nationalistic determination to achieve greater economic independence. This also explains her increasing interest in Bolivia, where she has secured amazing railway, oil and agricultural concessions, for Bolivia's economy in many things supplements that of Argentina, meeting particularly the latter's lack of certain mineral and tropical resources. Argentina's program of economic nationalism, her moves to take over foreign-owned railways and oil concerns, her nationalization of the great stockgrowing and meat industry to benefit Argentine growers rather than the foreign-owned packing companies, her determination to control foreign trade exclusively in her own interest, her manipulation of international relations with a careful eye on Brazil and the United States, her determination not to cut off her contacts with Europe or the Orient—many of these developments should not be taken as antagonism toward the United States or any other foreign land, but merely as an indication that Argentina is more than ever proud of her own heritage, determined not to accept outside paternalism, and assured that she can take her place among nations as an equal, not as a semi-colonial appendage.



Foreign Policy Association

Current History Presents

What's YOUR Opinion?

A monthly department conducted by George V. Denny, Jr., founder and moderator of America's Town Meeting of the Air and President of Town Hall, New York

The Question this month:

CAN DEMOCRACY PUT MEN BACK TO WORK?

NAZI Germany's statistical office has just published a survey showing record employment, record labor income and the abolition of unemployment, accompanied by an increase in marriages and a rising birthrate. Italy and Russia make similar if not identical claims, while in America unemployment statistics approach eleven million.

This month's question therefore closes in on us with dramatic intensity: "Can Democracy Put Men Back to Work?"

CURRENT HISTORY has queried labor leaders, industrialists, bankers, statesmen and economists on this number one problem facing America today, and has searched the press for constructive observations upon it.

Obviously no conclusive answer has been found. Nearly everyone says, "Yes, if—." But there's the rub. The qualifications vary almost in proportion to the number of persons speaking. Only one voice shouts a clear ringing, "No." The speaker is Lawrence Dennis, economist and professed advocate of fascism for America, whose statement appears later in this symposium.

John L. Lewis

John L. Lewis, president of the C.I.O., states emphatically: "Democracy can put men back to work. More than that, democracy must put men back to work, if it is to continue to exist. Democracy will fall only when it fails to provide a reasonable degree of security for its citizens.

"It is clear that a democratic nation cannot maintain its hold on the faith of our citizens unless it can adjust its economic operations so that it shall not cast out, as it has today, nearly thirteen million workers from its productive system. With that amount of unemployment the economy is only half alive. Such an economy cannot long continue.

"Full production in the modern economy is based on effective consuming power. Consuming power must be able at all times to absorb the full product of our economy. Broadly speaking, it is the lack of adjustment between consuming power and productive capacity which finally brings us face to face with the paradox of hunger and despair in the midst of plenty.

"The growth of production beyond

effective consuming power results in an abrupt cut in production and the immediate cessation of the expansion of productive capacity. Likewise the contraction of consuming power below production gives the same effect. The final result of both movements is depression and unemployment. The common goal is a continually increasing production at full capacity, balanced by a continually increasing consumption.

"Certain important factors are needed to create recovery and full employment in this country. The most important is continued and increased economic action by organized workers to raise wages and reduce hours. Wage income, that is, lower bracket income, needs to attain a much more advantageous position in relation to dividends and profit income than at present. Just as increasing wages increases active purchasing power, lowering of hours increases employment and reduces unemployment.

"Then, secondly, it is clear that only government contributions to the general consumer income can guarantee at the present time a solid movement towards economic balance. Such a contribution needs to be intelligently planned, planned as to rate, amount of expenditure, in order to provide a continuous forward economic trend.

"In making these expenditures the government assumes the role of investor. It provides investment expenditures at those times and in those places where private investment fails. Such government investment does

IT will be Mr. Denny's aim to assemble in this department each month a cross-section of opinion on controversial questions by outstanding authorities, as well as a special section of opinion by readers of CURRENT HISTORY.

We ask our readers to send in their opinions now on this month's question, "Can Democracy Put Men Back to Work?" Letters should not exceed three hundred words and should be mailed before July 12. They should be addressed to:

Mr. George V. Denny, Jr.
CURRENT HISTORY
420 Madison Avenue
New York, N. Y.

not replace private investment but acts as a complement to it.

"Thirdly, provisions need to be made so that the beneficial effects of wage raises, decreased hours and federal expenditures are not wiped out by unbalanced movements in the replacement of men by machines.

"There are other factors also, such as the stabilization of farm income and of credit, and the establishment of a sound tax structure, which should be taken into account.

"On the basis of this analysis the C.I.O. has taken the position that it is absolutely necessary for the government to continue to provide work for the unemployed who are out of work. This should not be relief. This should be work. Work is necessary to conserve and increase not only the human resources, but also the material resources of the nation. Such a program should be well planned, not haphazard. It should be administered in a completely non-partisan way. It should be sufficient to provide substantially for those who are able and willing to work but unable to find employment in private industry.

"Democracy, by following a sound economic policy, can put men back to work and put most of them back in private industry."

William Green

William Green, president of the A. F. of L., joins Mr. Lewis in his affirmative reply and also calls for federal planning and authority. "Democracy can put men back to work," he says, "because all that is involved is proper planning and authority to act. Planning should be done by a representative group advisory to Congress and responsible for reviewing past experience and anticipating future needs and developments. In the light of their researches and recommendations, Congress would be in a position to provide for economic advancement that would give us the material equipment necessary for high standards of living and provide work for those dependent upon jobs for incomes. The administrative branch should organize co-operation of industries and labor in accord with declared public policy.

"The main objective of planning would be to keep private industries operating to supply our needs. Economic force and private initiative can be relied upon to a substantial degree after major objectives are

determined in the interests of all by representatives of functional groups and of all the people.

"Democracy is inseparable from private property, personal freedom and individual initiative. Planning under a democracy would therefore rely upon private industries and voluntary organizations for co-operation in promoting the common welfare. Thus democracy would avoid



George V. Denny, Jr.

the bottleneck of governmental production in the totalitarian countries which inevitably leads to employment in munitions for national defense.

"Planning under democratic institutions would be in the interests of peace and normal economic developments. Our democracy can put the unemployed to work when it assures industries the necessary orders. Industries make a living for all attached through production. A democracy even better than a totalitarian state can assure continued business opportunity."

But it is precisely this planning by federal authority that many industrialists feel endangers democracy and is a threat to private enterprise.

W. Gibson Carey, Jr.

Says W. Gibson Carey, Jr., new president of the United States Chamber of Commerce: "As everyone will recognize, this is a tremendously broad subject which cannot be handled adequately by anyone in a few words.

"The meaning of the question is, I presume, whether under our constitutional form of government in

the United States there can be re-established such general business conditions as will absorb those men and women who are anxious and willing to work. From my study of this problem I can, without hesitation, express unequivocally an affirmative opinion.

"We have witnessed of late years in the United States a tremendous swing toward collectivism. Thinking people recognize that there are great difficulties involved in bringing into existence those conditions which will free individual initiative; which will persuade idle dollars to take a chance rather than to flow largely into the most secure types of bonds, and which will induce us as a nation really to go to work.

"We should at once consider most carefully our entire tax structure and we should at the earliest possible moment put into effect those forms of taxation which will encourage private enterprise. An essential in my opinion is that taxes should not be of a punitive character but should be exclusively for the raising of necessary government income. We certainly should study without delay every form of legislation which has resulted in the general and widespread lack of confidence existing. Just as an example, it seems but common-sense that private money is not going to flow at the possible and desirable rate into the utility field under present conditions and that, furthermore, private dollars, which are normally willing to take the risks of competitive business, are not going to do this while through legislation we are attempting to fix and, in fact, standardize many of the important economic factors. Our American enterprise system must, if it is to work well, be kept fluid so that the necessary readjustments to obtain balance can take place automatically. This means that legislation having to do with the issuing of securities, with labor relations, with farm production and many other phases of our economy must be re-analyzed and, where necessary, corrected.

"There is, I think, no one in the United States who wants to revoke fundamental reforms which neither undermine seriously the productivity of the country, on which, of course, our standard of living is based, nor infringe unduly on the personal liberties of individuals and minorities.

"If we try to put people back to work by the centralization of further

authority in the executive branch of the government, we will, in my opinion, anyway, unquestionably be taking a dangerous course. In that manner we can obtain the necessary discipline to maintain and increase productivity but we cannot, until we go so far as to control completely both capital and labor, arrive at anything like a full re-employment of our population. Although the country is anxious for security, I personally think that the danger of trying to obtain this through centralized authority rather than through self-discipline, hard work and a full recognition of the rights of individuals and minorities is now understood by more than a majority of our citizens.

"All of the above, I realize, is much too general. I believe it is absolutely impossible, however, in a few words to do more than indicate in the broadest terms a program of procedure on which all people can work for a re-establishment of prosperity."

Will industry discipline itself and, fully recognizing the rights of individuals and minorities, will it without government aid take the initiative necessary to put the millions of American employables back to work?

Claude Pepper

The industrious young New Deal Senator from Florida, Claude Pepper, thinks that it is essential for government to take a hand. He states flatly: "In view of modern technological improvements, there are not enough jobs to go around. If private enterprise, on its initiative and for the profit motive, is not justified in creating the necessary new jobs, that task will have to be attacked by the government, which represents the whole number of the people; it is unthinkable that any social order would permit its own disintegration or its own deterioration from within.

"Because it is desirable that the national perspective be constantly kept in view, the national government is best qualified to undertake such a plan. It will, of course, cooperate with the states and their political subdivisions. If the federal program actually provided work for all the employables it would not be unreasonable to leave to the states the burden of direct relief to those unable to work to any advantage. But the problem of made work is not a

local problem, and should not be left to local solution.

"The kind of work to be created to provide the necessary jobs should as far as possible be work that is economically productive and sound. The people to be employed should as far as economically possible be given the kind of work to which they are adapted, and the conditions of their employment should as far as possible be those which would prevail if the work were done by private industry, with decent regard to wages, hours and working conditions. By all means the skilled labor to be taken into such a program should not be deprived of the benefit of its professional skill and training. There will always be a certain number of people not fitted for any particular kind of work by training and experience. These cases will have to be solved by intelligent placement and a plan of vocational rehabilitation."

But, say the conservatives, what about government competition with private enterprise if it undertakes to put men back to work?

Norman Thomas

Norman Thomas, Socialist leader and three times his party's candidate for the Presidency, contends: "It is false to say that planned economy requires dictatorship or the totalitarian state. Indeed, planned economy in such a state is likely to result in time in dry rot. The totalitarian states at present have largely ended unemployment but they have done it with an exceedingly low wage scale and mostly by a dreadful extension of armament economics, which will exact a price that the world cannot afford to pay."

Earl Browder

Earl Browder, head of the Communist party in the United States,



declares that capitalism and unemployment go hand in hand, but he adds: "Democracy can put men back to work, even under the present capitalist system, if it makes up its mind to do it. While unemployment is an inevitable accompaniment of capitalism, and cannot be entirely abolished as long as capitalism exists—only socialism can really utilize fully our national economy—yet much can be done beyond anything yet attempted.

"But any serious work program must face and accept the lesson of experience, that private initiative alone cannot do the job, that increasing governmental initiative, participation and control is required. Nowhere is this more clear than in housing, of which there is an enormous shortage, to make good in which becomes quite essential to any economic recovery program. There is not the slightest hope of a large-scale housing program really being carried out under private initiative. There are two insuperable obstacles that can be overcome only by the federal government; these are, the interweaving of the interests of capital available for investment with the interests profiting from the existing monopoly rents for sub-standard housing, which paralyzes the initiative of private enterprise, and, secondly, the inability of private initiative to coordinate the maze of private interests that block and defeat any but a national program with governmental power behind it.

"A large-scale housing program, in terms of many billions of dollars, can be initiated and carried out by the government, within the limits of the capitalist system, which would greatly stimulate the entire national economy far beyond the field of housing. It could even be organized upon strictly capitalistic lines, in the sense that the program could be placed in the hands of an entirely independent housing corporation, controlled by the government. The conditions for a high degree of success would be, only, that it is prepared to deflate monopoly rents in the most drastic manner, ignoring all complaints of interested parties, and that it be administered as efficiently as P.W.A. under Secretary Ickes has demonstrated is entirely possible.

"If such a large-scale housing program could conceivably be carried out by a strictly private corporation, would any Wall Street spokesman see

in it anything but a great contribution to American welfare? Of course not; they would all hail it as a typical expression of American genius—particularly if it returned fabulous profits to private investors. Why would it not be at least an equal contribution if carried out by the government, returning to investors only the interest rates prevailing on government bonds, and passing on the major benefits to the people?

"In this issue we have presented the very heart of the controversy between the New Deal and the anti-New Deal camps into which American political life is divided. And since the Communist Party, with its program for a complete socialist reorganization of our country, has such a small proportion of the population supporting it, the Communists are glad to throw what influence they have behind the New Deal and its progressive policies, even proposing improvements such as a real and serious housing program, in the hope that our democracy, even under capitalism, may have enough vitality to gain a breathing space for the American people before a Hoover-Dewey-Taft Republican reactionary administration brings again the chaos of economic collapse, such as 1932-33, which might result in Hitlerism for America.

"The New Deal has nothing of socialism in it; in fact it contains the only hope of a functioning democracy under capitalism; but even that little should be enough basis for a broad unity of the progressive majority of the American people in 1940."

Dr. Francis E. Townsend

CURRENT HISTORY also asked the venerable Dr. Francis E. Townsend for his opinion on this question, "Can Democracy Put Men Back to Work?" He replied: "Most emphatically, yes! Some thirty years ago industry, prompted by its desire for rapid profits, began seeking short-cut methods of production through the use of machines that permitted a reduction of payroll costs—payrolls being the great expense item industry had to meet.

"Industry went blindly and avidly after this prolific source of profit saving, little thinking what effect this policy would eventually have on the market in which it had to sell its products. For ten years now the

effects of this shortsightedness have been manifest in our gigantic unemployed problem. Eleven to fifteen million men classed as employable have been out of jobs. They and their families constitute an army of forty to fifty millions of jobless and destitute people who are having to be carried on the backs of the taxpayer—a liability instead of an asset. Add to these about eight million old folks who are jobless and destitute and the number of helpless individuals in the nation becomes appallingly large.

"What to do about it? Just this: Convert our entire population into one great national, mutual, endowment insurance company. Tax the citizens at exactly the same rate on the revenues they enjoy—the gross revenues. Earmark this tax money for the one purpose of paying the endowments to the citizens when they reach the retirement age (sixty years) and give each one his pro rata share of the amount collected up to an amount that will make each one an important buyer of important goods—not just beans and bread and cabbage—with the understanding that each month's payment of the annuity shall be spent within thirty days for American-made goods or services.

"The combined buying power of eight to ten millions of well-to-do old folk will stabilize industry and create new wealth through the use of tax moneys—something we have never thought to do thus far."

At this writing Congress has given Dr. Townsend its hostile answer to his \$200 a month plan, but there is no doubt that his viewpoint has influenced the framers of social security legislation and group annuities in private corporations. Exactly what effect the present social security laws will have on relieving unemployment remains to be seen.

Lawrence Dennis

But let us return to Lawrence Dennis, unorthodox Wall Street economist and author of *The Coming American Fascism*, who says that democracy cannot put men back to work. We are giving Mr. Dennis's statement a good deal of space as he alone appears to be upholding the negative and his opinions are highly provocative: "American democracy since 1929," he says, "has realized the almost unique achievement in the

(Continued on page 61)

Letters

FROM READERS OF

What's YOUR Opinion?

Here are a few letters from readers of Mr. Denny's June department—*Can Government and Business Co-operate Now?* The editors regret that all worthy communications cannot be printed this month, but they will reserve additional space in the September issue when Mr. Denny returns from his vacation.

CURRENT HISTORY readers are interested in what you think, so write in now about this month's question. Between two contributions of equal merit, it's first come, first served. Please be as brief as possible and, if convenient, use a typewriter.

To the Editor: "Can Business and Government Co-operate Now?" The answer is No!

Business and Government cannot co-operate unless there is a desire on the part of both to do so. Under the present Administration there is no real desire to co-operate with business. Business has disapproved the President's policies and Mr. Roosevelt cannot forgive opposition and is vindictive in resenting it.

His advisers, with the possible exception of Secretary Morgenthau, have no desire to co-operate as such co-operation would weaken the President's strongest appeal to the workers, which of course is that he is fighting single-handed in their interest against entrenched capital.

As Mr. Roosevelt's advisers have no political background they must depend on his re-election for their continuation in office.

In addition, effective co-operation with Business by this Administration would necessarily include curbing the power of the labor unions and this would be politically inexpedient.

H. C. GROOME

To the Editor: "Can Government and Business Co-operate Now?" Yes! Most certainly if we can agree on what one means by co-operating.

In the years before 1933 we had too much business in government, now business in general believes there is too much government in business. Either way mere recriminations get us nowhere. What we need now is that Business shall bestir itself and go back to business.

As a people we set great store on our rights. Every right or power carries with it responsibilities and obligations. Business needs only to perform the responsibilities which go with the rights Business clamors so for. When Business does not assume its obligations and slights its responsibilities, Government will directly or indirectly see that some needed action is taken. It is not a matter of right or wrong. It is a matter of necessity. Business must to some extent discipline its own membership by setting a high standard of conduct and of trusteeship.

By co-operation of government and business we mean that each shall work in its proper sphere to further the well-

Future What's YOUR Opinion departments will feature an important section devoted to letters from readers. We invite you to participate and urge you to begin at once. Send us your comments on this month's subject. What do YOU think? Can Democracy Put Men Back to Work? What's YOUR Opinion?

What's YOUR Opinion?

Which of the following subjects would you like to have discussed in Mr. Denny's department during the coming months?

Note: This is not a ballot. Do not vote for or against the proposed questions.

... Should the Townsend Plan be adopted by the United States?

... Should work relief be returned to the states?

... Should a declaration of war be voted on by the people?

... Should the Wagner Labor Act be revised?

... Should the Neutrality Act be amended?

... Should the immigration laws be amended to permit entry of all genuine refugees?

... Should fingerprinting of all citizens be compulsory?

... Should the government take over the railroads?

... Should income from federal, state and municipal bonds be subject to income tax?

After marking your choices, please cut off this column and mail it to CURRENT HISTORY, 420 Madison Avenue, New York City—and don't forget to send us any suggestions of your own, together with your name and address.

NAME

ADDRESS

CITY

STATE

being and welfare of all. There is no proper place for special privileges nor get-rich-quick schemes. . . .

In order to improve or maintain business, we must all continue to serve in a legitimate way in our respective lines and those of us who have laid back on their oars or have been pedaling backward will do their bit by going back to their own proper activities.

The American people must learn and apply the thought that too much worry about the future for too long a time will give us no present and no future. To have a sound future, the successive present days must be each sound, one by one.

HARRY H. HOBBS

To the Editor: Can Business and Government Co-operate Now? Probably not. We must look at the problem realistically. The undeniable fact is that most businessmen (by "businessmen" I mean employers and capitalists) and most governmental representatives hold conflicting economic views. With what are the leaders of the basic industries in this nation concerned? Quite naturally, they are concerned with increasing their personal profits. They are especially interested in reducing the power of government. Since they control the means of production of the basic commodities and materials without which American industry would collapse, they could very easily determine the economic course of the nation's business enterprises if government did not interfere.

But the New Dealers in the Roosevelt Administration are convinced that the government must have some control and some voice in determining the social and economic course of the nation. They firmly believe that government must take action to increase the purchasing power of the people as a whole. Such a plan involves maintaining a reasonably high wage scale and reducing work hours. It means that labor's right to organize, to strike, and to bargain collectively must not be undermined by businessmen. It means, all in all, using government as a "balance-wheel" to stabilize the economy. But this also means that the government, instead of the businessmen, will really plan to a large extent the production and distribution of many goods and materials. It would result in decreasing profits for the big industrialists but increasing profits for the great mass of consumers.

Thus, obviously, no enthusiastic co-operation between business and government is likely as long as the New Dealers are in power. Probably the conflict will continue until the functions of government are definitely determined. At bottom the whole problem is one of fixing the government's position in a fast-changing world.

PAUL BULLOCK, JR. (Age 14)

To the Editor: Can government and business co-operate now? That depends on government. Adding enormously to the public debt, now \$40,000,000,000, will not be co-operating with business. Taxes now are so great that two-thirds of the corporations of the U. S. are doing nothing. If government is to take all a business can produce what is the use of trying to do business? . . . To think that we have come to this pass to cure a depression. No such enormous debt has ever before in history been accumulated.

NESTOR LIGHT

To the Editor: The "crash of '29" and the resulting abnormal economic pressure has caused our population to re-

solve itself into two somewhat antagonistic factions with conflicting interests and views. These two factions have been often referred to as the "Haves" and the "Have-nots." What we once knew as the great middle class has degenerated into a minority. The principal issue between these two factions seems to be a margin of safety in economic security.

The Republican Party represents the interests of the "Haves" and the Democratic Party the interests of the "Have-nots." Business is naturally affiliated with the Republican Party as it always has been. Labor and all others representing the "Have-nots" have a community of interests that, theoretically, should hold them together under one political banner. The Democratic Party represents the major portion of this group but we find them usually split up and following other leftist or liberal political groupings. In 1932 and 1936 the "Have-nots" learned something of the value of unity in increased power, politically. If they have become fully conscious of the strength of unity it is quite possible that failure of the Republican Party to stress the establishment of a margin of safety in economic or social security in a practical manner will result in the Republican Party remaining a minority.

Under our present political system we are somewhat unreasonable to even hope that Business will co-operate with a Democratic administration as long as a vestige of hope remains that a Republican will be seated at the next election. An adjustment of our political system that would permit equal representation of the interests of the "Haves" and the "Have-nots" at all times might solve this question of co-operation as there would be a lesser motive influencing Business to retard intentionally economic recovery to discredit one administration with the hope of placing its own representative in power. Business is not at fault but is only reacting naturally to a faulty political system. These excessive surges of political power, first on one side then the other, are exceedingly expensive and demand far too much in the way of party obligations from those who are paid to give us efficient government.

G. THERON JOHNSON

To the Editor: Can business and government co-operate now? Threats, intimidation and coercion on the part of a floundering governmental bureaucracy do not induce ungrudging co-operation from business, in spite of friendly assurances from New Deal spokesmen.

In the last six years, the nation has been passing through a revolving door in frivolous pursuit of Utopia, until spirit, hope and confidence have been undermined by Federal pap, propaganda, promises, bonuses, pensions, relief, pump-primings.

There is no hope for prosperity under New Deal policies that initiate reform for political revenue, while Congress remains mentally and morally inert in covetous desire of patronage and "pork."

The incentives to private enterprise await a change in the national administration. . . .

EDWARD E. SUFFERN

To the Editor: My opinion is that the Government should be the biggest thing in this country, and that business can co-operate with it any time it wants to, but that if the Government starts co-operating with business, it would only

(Continued on page 63)

Stalin on the Spot

Caught in the grip of historical dynamite,
Stalin veers from revolution to nationalism

By BORIS SHUB

IT is profitable for the English to have Russia and Germany fight each other, because if these two should smash their heads, England would grow more powerful."

That vivid sentence might have been uttered by Premier Molotov of the U.S.S.R. in his May 31 speech on foreign policy—the speech in which, while holding the door open for further negotiations, he rejected as inadequate the proposals of Britain and France designed to draw Moscow into a three-power pact against aggression.

Or the sentence might have been uttered by Stalin himself last March when, at the Congress of the Soviet Communist Party, he attacked the western democracies for seeking "to raise the ire of the Soviet Union against Germany, to poison the atmosphere and provoke a conflict with Germany without any visible grounds for it."

In fact, however, the sentence was uttered, the distrust of Great Britain was voiced, on the floor of the Imperial Duma on May 23, 1914, two months before the outbreak of the World War. It was uttered by Deputy Markov, the extreme reactionary monarchist. In the course of a memorable speech, that staunch supporter of the Romanov autocracy expressed Russia's perennial suspicion of the English bearing gifts.

"The friendship of the English," said Markov, "lasts only so long as there is no necessity for active assistance to Russia. . . : It were better if, in place of a great friendship with England, we had a small alliance with Germany."

Now, a quarter of a century later, on what is perhaps the eve of a second world war, Stalin looks at the outstretched hand of Britain with the same trepidation that beset the Rasputin camarilla surrounding Czar Nicholas II. The reason public opinion is so completely in the dark regarding Russian foreign policy is



Joseph Stalin

that twenty years of Bolshevik revolutionary propaganda have largely obliterated the obvious fact that the Soviet Union is . . . Russia.

Least of all is the foreign policy of the Kremlin understood by the members of the American Communist party and the supporters generally known as "fellow travelers," because they accept at face value such cloudy myths as "Soviet Union," "Dictatorship of the Proletariat," "Collective Security" and "Peace Front." Substitute for these "Russia," "Stalin Regime," "Alliance" and "Balance of Power," respectively, and penetration of the fog becomes less difficult.

Russia faces a momentous choice of policy, a choice certain to play a decisive part in determining the destinies of that nation and of the world. Decision lies in the hands of one man, Stalin. It would be a mistake to suppose that he has broken completely with the vestiges of his revolutionary Bolshevik past. His entire political training was under Lenin, to whom Russia as a *nation* meant precisely nothing.

Lenin formulated his theories

largely while in exile, in cheap rooming houses of London, Stockholm, Geneva, Munich, Cracow and Zurich. He was an internationalist not merely because he read Marx, but because for the greater part of his adult life he was a man without a country. He seized power during a period of general social upheaval, and in the turbulence of war and post-war Europe he thought he saw the end of nations and the emergence of an international dictatorship of the proletariat. It was that faith that permitted him to sign away a third of European Russia by the Treaty of Brest-Litovsk, sincerely believing that, if the Russian Bolsheviks could retain power for a brief spell, all European boundary lines would vanish on the Red Day of Judgment. To Lenin, the Kremlin was no more than an overnight inn on the highway of world revolution.

All efforts to export Bolshevism to Western Europe failed, however. Communist uprisings in Berlin, in Finland, in Bavaria and in Hungary were suppressed, and French officers helped the Poles turn back the Red Army at the gates of Warsaw. To Lenin, nevertheless, these setbacks carried no final portent. To the end of his days he avoided the conference tables of national power politics. The Kremlin was still an overnight inn.

Stalin, on the other hand, is a man of vastly different cast. Although a Georgian by birth, he became more Russian than those disciples of Lenin who spent their formative years shuttling from one European capital to another. His pre-revolutionary existence seldom carried him outside the Russian Empire. He was a Bolshevik who lived in the cities and villages of Russia, and in the remote fastnesses of Siberia. To him the "international proletariat" was never more than an abstract article of Leninist faith; his experience was with *Russian* workers, *Russian* peasants and *Russian* police.

Soon after Lenin's death, Stalin broke with the cardinal Bolshevik canon of faith, that Bolshevik objectives required an international arena. Trotsky and Zinoviev continued to worry about the "international proletariat" and the world revolution; Stalin turned his eyes more and more upon the Russian Empire, its peoples and its limitless resources. Stalin won out. The Kremlin long ago ceased to be an inn for impatient revolutionists as it was when Trotsky ruled the Red Army and Zinoviev directed the Communist International as a weapon of worldwide insurrection.

FOR twelve years Stalin has single-handedly dictated the policies of the Russian State from the palace where once the Czars ruled. In the past few years he has done everything within his power to regenerate the springs of Russian national patriotism. The people have been encouraged to read the masters of Russian literature previously indexed as "bourgeois" and "reactionary." The Soviet cinema now glorifies the military achievements of early Russian princes and Czars in a manner unthinkable in Lenin's time. The Soviet press has revived and rabidly propagandizes the most anti-revolutionary and anti-internationalist word of all, *Rodina*—Motherland. The people are taught that Russian soil is worth fighting for even unto death. This is the atmosphere within which Stalin's foreign policy is unfolding, and this is the background which makes that policy comprehensible.

The best proof that Russia's recent diplomatic moves are dictated primarily by national self-interest is found in the reaction of the Russian emigré press, which has little love for Stalin and less for a Bolshevik foreign policy. In Paris, Professor Miliukov, Foreign Minister under the short-lived Russian democratic republic of 1917, publishes a daily newspaper, and Kerensky, who was Premier under that republic, edits a bi-monthly journal. Both publications have authoritative underground correspondents in Russia who enable them, time and again, to predict changes within that country long before the outside world has the slightest inkling that such shifts are impending.

In the face of outraged denials by the official Communist press in

Europe and America, they foresaw the liquidation of the Red Army generals in 1937, and the subsequent removal of Secret Police Chief Yezhov. And they indicated the "retirement" of Foreign Commissar Litvinov long before the cryptic Soviet communique of May 3 last shocked the capitals of the world. When Miliukov and Kerensky publish articles tentatively supporting Stalin's



New York Times
Maxim Litvinov

foreign policy, it is very nearly time for the Communist International to close shop.

Miliukov's paper, for example, points out that, between the Munich conference of September 1938 and the occupation of Prague in March 1939, Russia must have sold Germany a pretty fancy bill of goods. Immediately after Munich, Hitler fashioned an autonomous Carpatho-Ukraine out of eastern Czechoslovakia, and spent enormous sums of money to stimulate a Ukrainian separatist movement. The western powers assumed, with no great sorrow, that a drive into the Soviet Ukraine was imminent. And yet in March the pivotal territory was abandoned to Hungary, the Hitler scheme was shelved, and an ominous cordiality of relations between Berlin and Moscow undermined nerves at No. 10 Downing Street, London.

Russia was back in the game of national power politics, clearly and unmistakably. Communists are embarrassed at Stalin's flirtation with Germany, but as a tactical move directed to those who sought so re-

cently to appease Hitler at the expense of Russia, the move is in keeping with Russia's status as a European power. Experience with Great Britain for the past hundred years has taught Moscow to move cautiously. Imperial Russia saw Britain checkmate her in Asia, in the Near East, in the Bosphorus and in the Balkans. Democratic Russia in the spring of 1917 appealed in vain to her ally for a revision of secret Imperialist treaties and the conclusion of an equitable peace without annexation or indemnities. And finally, Bolshevik Russia saw Britain take advantage of internal disorder to seize the valuable oil fields of Batum.

Under the circumstances, the mere possibility of Russo-German rapprochement compels Great Britain to deal with Russia either on terms of equality or not at all, for this is the only game that the British take seriously. (Compare the flirtation with Napoleon by Alexander I for a striking analogy.)

To the international Communist movement, Russian understanding with Germany would constitute a death-blow, because the propaganda machinery of the Comintern has been geared for years as an anti-fascist force. From the standpoint of Russian national security, however, the maneuver is not without justification.

GREAT BRITAIN has apparently come to the belated conclusion that, in the event of war, an eastern front is necessary to preserve the blockade value of the British fleet. For the fleet is potent, as Winston Churchill points out, to the extent that it shuts off Germany's access to raw materials and food. Given a benevolently neutral Russia in the East, and Germany can feed its men and its guns for an indefinite period, thereby canceling the effect of a naval blockade. Great Britain wants a wall in the East stronger than Poland and Rumania but has not yet shown a readiness to pay in full for such service on the part of Russia.

Anglo-Russian negotiations have proceeded slowly primarily because Britain has been seeking a cheap bargain. The successive proposals submitted to Moscow by London have been full of convenient jokers which might well leave Russia holding the bag. The terms which Premier Molotov rejected on May 31 would have left Russia open to the possi-

bility of German invasion through the Baltic States without imposing a clear duty upon Great Britain, for if Latvia and Estonia were intimidated to permit the entry of German troops without appealing for aid, Britain would have had no contractual obligation to act. Insistence by Moscow upon complete equality and reciprocity in any pact of mutual assistance against aggression is no more than ordinary national prudence. It is based on the recollection that British diplomacy has "pulled fast ones" on more than one occasion in the past. Russia wants an ironclad agreement or nothing. Molotov's demand for a specific guarantee covering the Baltic States bordering on Russia—Latvia, Estonia and Finland—is particularly understandable in view of the fact that the Baltic is one potential sphere of operations in which British naval vessels could support Russian land and air forces.

Two serious obstacles stand in the way of a truly effective Russian policy. The first is the glimmering Communist hope that perhaps the Red Army will still be called upon to perform its international revolutionary role. This was hinted by Vice-Commissar of Defense Mekhlis in a recent speech. It is this lingering fancy that keeps Communist embers alive outside of the Soviet Union and hampers complete devotion to Russian interests. The outcome of the Spanish Civil War was in good measure the result of Moscow's half-hearted effort to take another crack at the Bolshevik game. Attempts to take a hand in the internal differences within the Spanish Loyalist government contributed no small part to the Franco victory. Recent Soviet policy with regard to China, on the other hand, has been considerably more in line with Russia's Far Eastern interests.

The second obstacle is far more fundamental. Part of Stalin's caution in dealing with the western democracies can be traced to a dilemma for which he can find no easy answer. Unlike Hitler, Stalin has been forced to pay lip service to the democratic aspirations of the people. Ruling with an absolute power that the Romanovs would have envied, he propagates a democratic myth that carries within it the seeds of destruction for the Bolshevik State.

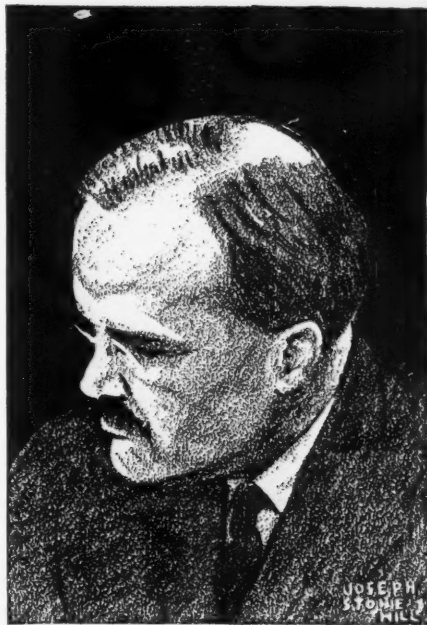
"None dares question the fact," he said in his Party Congress speech,

Viacheslav Molotov

FOR eighteen years Viacheslav Molotov has been Stalin's immediate assistant, one of his most trusted aides. Many Soviet leaders, prominent during the Revolution itself, have been exiled, executed, or sentenced. But Molotov remains.

His position for many years was that of handy man, filling in wherever Stalin needed him. He is not very well known abroad. Nevertheless, for many years he has helped frame the foreign policy of the U.S.S.R. As President of the Council, he has been the superior of Maxim Litvinov, whom he recently replaced when Stalin appointed Molotov in direct charge of the Ministry of Foreign Affairs.

Molotov is forty-nine years old, a comparative youth among diplomats. Somewhat thick-set, with heavy shoulders that seem made to support responsibilities, he can be distinguished from most of his colleagues by a certain Anglo-American kind of elegance. His wife, who visited the United States in 1936, has helped bring Molotov into the American sphere and has exerted influence on his attitude toward the United States.



Russia's New Foreign Minister

It is entirely possible that Viacheslav Molotov might one day be called upon to take Stalin's place in the Kremlin.
—Condensed from the Paris Soir, from a translation appearing in *The Living Age*.

"that our Constitution is the most democratic in the world."

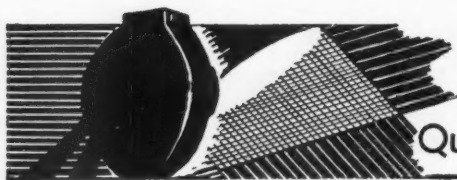
And indeed *on paper* this is almost true. A few saving phrases, buried but alive, are all that stand in the way. And while as a charter of existing rights and liberties that instrument is a dead letter, it lives as propaganda. Created as part of the frenzied effort to foster patriotism and national consciousness in the face of war danger, it hovers ghostlike over the Kremlin.

FINAL commitment to fight on the side of the western democracies, coupled with the shadowy pretense of liberty, might provide the very stimulus which the Russian people require in their repressed desire for political freedom. A Russian nation in arms, fighting side by side with Britain and France, challenges the totalitarian principle in 1939, even as the alliance of 1914 undermined absolutism.

Stalin cannot be blind to the challenge implicit in choosing the western democracies rather than authoritarian Germany. Nevertheless, having created the picture of a nation devoted to peace, having reinkulated

in some measure love of country, and having convinced the larger part of world opinion, whether rightly or wrongly, that Russia stands with the victims of aggression, he cannot exercise free choice in his decision. Russia enjoys greater international prestige now than at any time in recent history, and that prestige cannot be thrown overboard lightly by even the most obdurate wielder of power. As Stalin casts the die he realizes, even as did the Romanov dynasty, that, before the party is over, the Russian people may act to bring latent slogans of freedom to life.

There is risk in either course, but to line up with Hitler involves an immediate loss of moral standing in the eyes of the Russian people and of world opinion. Russia imposes a choice now, as in 1914, that transcends the personal preference of her dictator. Having been compelled by a historical dynamic to substitute Russian interest for the chimera of world revolution, Stalin must watch events take their tragi-heroic course. A bitter pill for a ruler for whose personal power the status quo is the best safeguard, but the first ray of hope for a people with whom fate has played curious tricks in the past.



THEY SAY

Quotations from the World Press



The Great Corcoran Drive for the Third-Term Idea

—Condensed from Frank R. Kent's column, "The Great Game of Politics," in The Baltimore Sun.

In recent weeks a vigorous effort to galvanize a third-term-for-Roosevelt idea has been made. Altogether, considerable success has been achieved in nullifying the general acceptance that, in accord with the oldest American political tradition, Mr. Roosevelt would retire at the close of his second term.

The basic fact about this "drive" is that back of it is that ingenious young man, Mr. Thomas Corcoran. And when you say that Mr. Corcoran is back of it you mean that Mr. Ben Cohen is back of it, Mr. Leon Henderson, Mr. Bob Jackson, Mr. David Cushman Coyle, Mr. David Niles and the other bright young men whom Mr. Roosevelt brought out of obscurity and whose one chance of avoiding return to that state is to continue Mr. Roosevelt in the White House.

You also mean that back of it are Mr. Lasser, of the Workers Alliance; Mr. Lewis, of the C.I.O., and the great press agent army of the government departments. It isn't, of course, necessary to mention that Mr. Earl Browder, head of the Communist party, publicly plumped for a third term some time ago, nor that the federal jobholders are a unit in such a movement. It is with them a matter of obvious self-interest. Take all these forces and a rather impressive performance can be put on if staged by a skillful director. That is exactly what has been done, and Mr. Corcoran is the bright boy who has done it.

The point which ought to be understood, however, is that it has not changed the actual situation in any way. The Democratic leaders who were against Mr. Roosevelt are just as much against him now as before. There has been no change in public sentiment on the subject. The Gallup and other polls still show a definite majority against a third term. The best political judgment has been that a third nomination could no more

succeed than a third-party movement can succeed. That is still the judgment of the experienced politicians. Nor have these changed their view that Mr. Roosevelt will not run again in 1940.

What then, it is asked, is the idea of the great Corcoran drive? The idea is simple enough. Corcoran and Company are convinced that the people are still not only with the President but with the New Deal. They think that the anti-third term tradition is absurd and the practical politicians are wrong when they warn that the American people do not want any man to hold the Presidency more than eight years.

These amateur political strategists believe they can put enough pressure to Mr. Roosevelt to let Mr. Farley very definitely know that he wants a renomination. This, they think, will compel Mr. Farley to deliver to Mr. Roosevelt all the delegates he has been so carefully putting in the bag for himself. And that would be a splendid joke on Mr. Farley, whom they do not like, at the same time putting Mr. Roosevelt in position where he could enforce a demand on the Democratic conservatives to do his will in the convention. Perhaps they are right, but not many detached observers think so.

The reasons are clear. Chief among

them is the fact that there is no possibility of Mr. Roosevelt being "drafted" for the nomination or supported by a united party. His most partial friends do not claim that. He probably could be nominated by openly conniving in the movement and driving it through a reluctant convention by the weight of the federal machine. But there is no other way. The worthlessness of a nomination thus obtained is why the practical men of politics take so little stock in the "drive." It would, most of them agree, split the Democratic party wider than ever Mr. Bryan did.

The Corcorans, Cohens and others were in their cradles when Mr. Bryan was the peerless leader of exactly the same elements to which the New Deal now appeals. Naturally, the parallel means nothing to them. The question is whether they can sufficiently inflame Mr. Roosevelt. It is true they have had immense influence with him in the past, but unless he is very greatly inflamed he will not go the distance on this. The best guess is that he may use the third-term threat as a convention club to compel endorsement of his policies and prevent the nomination of men personally distasteful to him. Actually, he does not need to threaten to get both of these things. There is little the convention can do but give them.

If You Had a Million How Would You Invest It?

—Condensed from a news dispatch to The New York Herald-Tribune from Elizabeth, N. J.

John D. Morgan, patent attorney of Elizabeth, N. J., who died recently at the age of seventy, directed in his will that his estate be divided equally between his two daughters, provided that they first passed an examination in "the principles of sound investment, substantially as they are explained in some standard, authoritative work on this subject. This examination must show a practical knowledge of such principles, permanently understood and remembered, and not a mere temporary committing to

THE banker's question in the accompanying dispatch is one of practical importance to every investor of sums large and small. Many CURRENT HISTORY readers no doubt have had occasion to consider it in recent years. CURRENT HISTORY will be glad to receive, and to publish, answers to that question from its readers. Answers should not exceed five hundred words in length. The editors offer payment of \$10 for the best answer received during the month of July, \$5 for the second-best. Answers should be directed to the offices of CURRENT HISTORY, 420 Madison Avenue, New York City.

memory of some book by my heirs."

The will, disposing of a fortune of \$750,000 to \$1,000,000, was written in 1925. It orders the estate to be held in trust for Mrs. Morgan, during her lifetime. At her death, half of the trust is to be divided equally between the daughters, if they pass the required examination; after five years the other half is to be divided equally between them.

It directs that the trustees "set aside out of the income from my estate such part of the sum of \$200 as may be reasonably necessary to defray the cost of such examination or examinations of my said daughters in the principle of sound investment. These examinations must be of such nature and extent as to thoroughly and effectively carry out this provision. I warn my beneficiaries, when they obtain control of my estate, against speculation and unsound investments, and urge on them to always seek competent and disinterested advice from their banker or other competent person before making investments."

An officer of the First National Bank of Summit, New Jersey, which had been named as a co-trustee, was asked what textbook he would suggest for the daughters to study. "I really haven't given it a thought," he said, "because the need for it is very remote. If I were to give the examination today I think I know the first question I would ask. It would be: 'If you had money to invest conservatively today, would you put it into something offering a 3 per cent return, or a 6 per cent return—and why? Please answer fully.'"

Solution: An Aspirin

—Condensed from the column, "Random Thoughts" in The Kansas City Star.

There is nothing like a good problem in arithmetic to stir the mind to frenzied thought. We spoke last week of a problem that had been exciting the people of St. Louis until it was transferred to Kansas City. It involved three hotel guests and the rebate on their \$30 bill to reduce it to \$25. The manager gave the bellboy five \$1 bills from which he was to return to each guest \$1.67. The boy found the division too complicated, so he gave each guest \$1 and kept the other \$2. Each guest then had paid \$9, or a total of \$27, which with the boy's \$2 added brought the total to



Sykes—The Seattle Daily Times

The man on horseback.

\$29. The question was what had become of the extra \$1 to make up the original \$30.

We suggested that the \$30 had nothing to do with the case and was just lugged in to make the problem harder. Our solution was based on building up from the revised bill of \$25. Now A. P. E. writes from Atchison with another slant.

"True," he says, "\$3 were returned, resulting in a total hotel expenditure of \$27. Of this the hotel received \$25 and the porter \$2—total \$27, just as though the bill had been \$25 and the porter's tip \$2. Adding to this the \$3 change returned produces the original sum of \$30. The crucial thing seems to be to remember that the porter's \$2 came out of the \$27 and is therefore to be deducted, rather than added to produce a mythical sum of \$29, nowhere involved in the transaction. Moral: Had the porter lost the \$2 in a crap game there would have been no problem."

Moseley and the Goblins

—Condensed from a column by Hugh S. Johnson in The New York World-Telegram.

General Moseley has been seeing things under the bed. The absurdity of his tale of a Communist plot to seize this government by force doesn't lessen the glare of his day in the limelight. The actions of the Dies committee, "investigating" him—heckling and threatening to suppress him—is just water under his wheel. Frequent report that the War Department is gum-shoeing his recent activities suggests a general court-martial for his rash utterances. That would complete his martyrdom and fill his cup of joy to overflowing.

If it were not for the adverse effect of his publicity capers on other people, the General's little side-show would be a howling joke. Anybody who has a chance to observe the activities of the actual Communists in this country knows that they are just footling fol-de-rol. Only one other

current performance compares with them in unimportance. That is the heiling and posturing of the Nazi-Fascist monkey show which General Moseley applauds.

As concerns the General personally, it is a pity. In his military service he was a bold go-getter who consistently rendered invaluable service to his country, especially in the terrible supply problem of our armies in France. I have served with him for more years than I like to remember, beginning as shavetails in Texas. He was always a cutter of red tape—an army realist who got results—a sincere, intense and loyal soldier. It advanced him rapidly and that gave him, as all his comrades know, a marked superiority complex. Removed from the restraints of discipline of active service, he simply exploded in a volcanic eruption of a fireworks personality long repressed.

His being taken for a sucker by bum professional patrioteers of the absurd Ku-Klux variety is simply an instance of the innocence and ignorance of the civilian pressures which attend the cloistered life of the average Army officer intent upon his own highly specialized profession.

His stuff carries an implication that it represents the Army point of view, that the Army thinks it could and should move in to regulate political thinking, action and expression in this country—that the President could and should unleash a bunch of military Black Shirts and Gestapo "intelligence" officers to purge our democracy of "subversive" elements.

The reverse is the fact. I haven't talked with any kind of an Army officer who did not feel that Moseley was not only off on a crazy tangent personally, but also that he is letting down the reputation of the service for loyalty.

Men do not give up their rights of opinion when they enter the Army, but it is a part of their profession that they accept and execute the final decision of responsible authority as loyally as though it were their own—whether they agree with it or not. If that were not so, we couldn't have any democratic government by majority rule. Military force is more powerful than ballots. Obedience to majority government is a religion in our Army. The unquestioning loyalty of our Army and Navy to their constitutional command—majority government—is the most important safeguard of democracy.

Profile of a Prosecutor

—Condensed from The Kansas City Star.

United States District Attorney Maurice Morton Milligan of Richmond, Ray County, Missouri, is an erect, black-haired, lithe, strong-featured man who truly has seemed to represent the vigorous reflowering



Maurice Morton Milligan

of all there was of law and order west of the Mississippi. Milligan with the backing of the federal government, waded into the muck of Kansas City politics and tossed up—take it or leave it—what remained to us of a municipal corporation after the vultures had fattened on it. You've seen his face and perhaps wondered where this young champion came from.

Well, he came from a small town, still comes from there and sincerely desires to keep coming from there as long as he can manage to be useful. And—to deal with that deceptive adjective, "young"—Maurice Milligan happens to be fifty-five and keeps on his big desk at the temporary federal courts building a photograph of his grandson. You have to look closely for the gray hairs in his black cap of hair, cut country style. Evidently the barber doesn't ask if he wants his neck shaved; just shaves it, and O.K. Not that the matter is of any importance, but then he also happens to be a meticulous dresser—he wears shirtings and suitings, sport shoes and such, well matched.

We were assigned to watch Milligan in action when Boss Pendergast,

leader of Kansas City's municipal machine, pleaded guilty in the federal court to income tax evasion, and we didn't see Milligan in action at all. We saw a youthful, straight-backed fellow, in a neat gray suit with a pleated back, read the government's clear, cold case against a flagrant violator of the federal income tax laws. The performance was undramatic in contrast with the eloquent pleas for clemency that followed. Still and all, we couldn't help wishing we were young enough to be Milligan's son and wise enough to appreciate the significance of his accomplishment.

Milligan has been Ray County's probate judge for two four-year terms—the youngest ever elected to that office; also has been city attorney, assistant county prosecutor and member of the board of education. Then, too, Maurice, physically and sartorially, would be a natural for a statue in bronze or marble. At least, he wouldn't have to be chiseled in a frock coat and baggy-kneed pants.

Maurice drifted into law, through propinquity, you might say; he was exposed to Blackstone at an early age—16 or thereabouts—and couldn't shake loose. When he was first thinking he ought to buy a razor, his father sent him to Jefferson City for two sessions of the legislature, 1901-1903, in the capacity of clerk.

P.S. on Pendergast

—An article by Harper Leech in The Chicago Daily News.

Well, you never can tell! Three years ago I made a hurried survey of the Pendergast machine in Kansas City, and political machines are no rarity and no treat to me. But this one was a honey, and I would have bet my shirt that it was there to stay. Now the big boss who fed 'em and voted 'em for forty years, when "good citizens" neglected 'em, is in the little room where the evening sun casts checkered shadows on the floor.

The income tax got him! And who would have thought of a thing like that 'way back yonder when the sixteenth amendment was a poor little orphan of Senator Brown of Nebraska, begging the state legislatures to let it into the Constitution.

There was some pretty good prophecy about the income tax, too. When it was before Congress, Senator Philander C. Knox, the same who

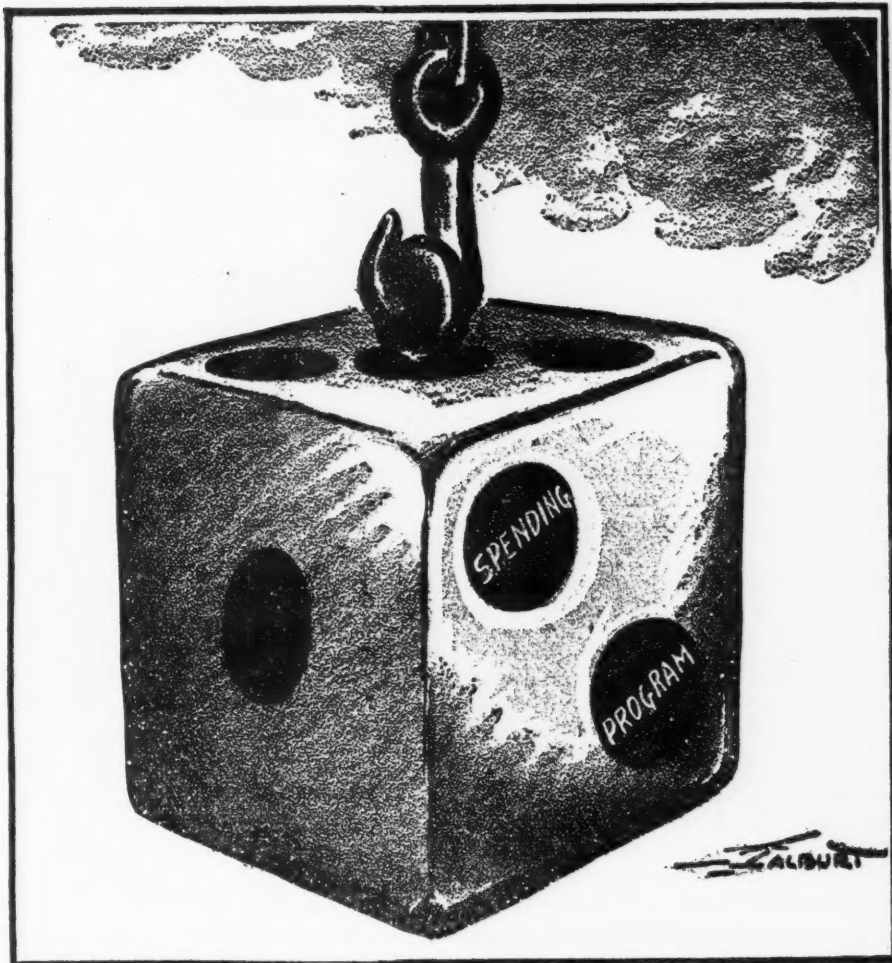
prophesied the truth about the Versailles treaty years afterward, uttered a jeremiad about the income tax. It would make us a nation of thieves and perjurers, he said. It would fill the land with snitchers and spies. But not even the brilliant Pittsburgher foresaw that, after initiating a regime of bribery and fix, the income tax would itself "turn square guy" and become a veritable Nemesis of graft.

Yet that is not new in the evolution of law. The growth of any custom or institution into something that no one anticipated, often into something that its sponsors never dreamed, is commonplace. The Court of Star Chamber, which became a synonym for tyranny, was once a reform tribunal to protect the common man. The writ of habeas corpus, keystone of civil liberty in the English-speaking world, was once upon a time a means of putting men into jail, not of getting them out. The fourteenth amendment, enacted to protect men with dark skins, eventually became the guardian of corporate white paper and parchment.

The federal anti-conspiracy statute, aimed at Ku Kluxers, counterfeiters and moonshiners, became in the second decade the favorite instrument for punishing ballot frauds. And now the income tax becomes the choicest weapon in the arsenal of the law to attack the corrupt alliance of business and politics, high and low.

The Capone case was the first startling demonstration to the public of the latent terrors of the income tax system for the Powers of Prey. Public reaction to the Capone conviction was rather dubious, too. We were a bit shamefaced that a man who had escaped punishment for graver offenses had to be taken with a revenue statute. Today the conviction of a big crook for faking his income tax return is greeted with no such mental reservations. The general feeling is that any old stick is good enough to scotch a snake.

There is much justification for the new attitude in the changes that have taken place in crime. The conservative burglar, peter man and dip of our boyhood days was a simple, if crooked, soul, and his crimes were crude. The modern criminal and enemy of society is all too often a high-powered captain of criminal industry at the head of a far-reaching system in which direct responsibility and liability have been reduced to



Laying the cornerstone for 1940?

Talburt—Pittsburgh Press

a minimum. Our rather primitive criminal procedure devised to cope with old-fashioned crimes such as are defined in the Old Testament simply does not get the higher-ups of modern syndicate and "holding company" crime, but the income tax system and its penalties fit the situation like a glove.

Many years ago, in his invaluable book *Sin and Society*, Dr. E. A. Ross pointed out the inadequacy of old taboos and laws to deal with the subtle men of prey who have been bred in our sophisticated society. I guess Professor Ross thinks highly of the income tax.

Juvenile Gangs and Crime

—Condensed from a radio address by Dr. Frederic M. Thrasher of New York University over N.B.C.

A few years ago I made a scientific study of more than one thousand gangs in Chicago. A friend of mine, writing in the funny column of *The Chicago Tribune*, said that if Professor Thrasher found only that many

gangs in Chicago, he must have worked but one side of the street. I do not believe I discovered all the gangs in that city, but I think I got a pretty good example, enough to reveal how boys get into trouble and the beginnings of criminal careers. Gangs and the conditions which create them are not peculiar just to Chicago. They exist in all American cities.

Our Chicago study showed that no less than 25,000 young boys and adolescents were subjected to the influences of delinquent gangs. Our New York study showed 29,176 children between the ages of seven and sixteen in one slum district alone. Sixty per cent of these children spend their leisure time on the streets. The first delinquencies are usually a game which is made interesting by older boys who have already been initiated into delinquent activities. Much early delinquency has a purely sport motive and shows the importance of providing wholesome leisure activities for children.

If we wish to attack the roots of crime, we must go into the delin-

quency areas where young boys are being initiated into criminal activities as a result of their contacts on the streets. The streets grant no degrees and give no diplomas, but they educate with fatal precision. The casual contacts of the streets often make it possible for the criminal underworld to have a direct influence upon growing boys.

What do boys learn in these associations? First of all, to be independent. Many boys learn to take care of themselves, to live away from home, to pick up an easy living in one way or another.

In the second place, the streets inculcate personal habits that are demoralizing. The boys soon learn the use of profanity and vulgarity. They become sexually demoralized. Gambling is universal. The use of intoxicants and often of other types of stimulants and varieties of tobacco is common.

Thirdly, the boy on the streets acquires a disrespect for law and authority. He gets a knowledge of crooked politics. He learns how the criminal escapes punishment, and along with this come attitudes of fatalism and cynicism which develop a dangerous philosophy of life, particularly for a prospective criminal.

Finally, the boy on the streets learns the technique of crime because of his contacts with street corner tramps, semi-criminals, gangsters and members of the underworld. Sometimes he acquires this information in unsupervised candy stores and poolrooms. He learns about playing the numbers, selling stolen goods, renting guns for hold-ups, the techniques of vice and racketeering, man-

ufacture of illicit liquor, how to break into stores, how to steal junk and dispose of it and how to break into railroad cars.

If the streets do not succeed in turning out a finished criminal, they often develop a type of personality which may well foreshadow the gangster and the gunman. A boy of this type may be described as a hoodlum with a show-off complex. He takes particular delight in interfering with the orderly pursuit of business and pleasure which he sees about him. He does not hold a job. He is often on the street or in the poolroom. He is a loafer, idling away countless hours in smoking, gambling and rough horse-play. His bravado is always ready to foment a brawl, but he is seldom willing to engage in a fair fight unless backed by his pals. He is coarse and vulgar in his talk. He has no appreciation of history, no dignified tradition in his past, no cultural background. He is, in brief, a thoroughly disorganized, or if you like, unorganized person, and he is pretty likely to develop into a criminal.

A good example of the hoodlum is Fatty. Fatty is only nine years old, but he stole 25 cents from a policeman who was waiting to buy lunch. He holds up smaller boys when they are going with money to buy groceries. Fatty stole \$6 worth of tickets through a hole in a box-office window. He smoked so much that he fainted in line in school. He found a gun which a robber threw away in his alley and used it on the little boys. He broke a \$200 window in the drug store; he took \$2 from a man with a pushcart; he played hookey from school; he stoned the girls. At

an early age he had come under the influence of a street gang whose members later acquired court records.

If he had become a member of a good boys' club or settlement—if a good boys' worker had got hold of him, his story would have been very different. The activities he needed, however, do not just happen. They are the result of planning by recreation leaders who are experts in the field of leisure time. The problem of attacking crime at its roots really turns out to be one of organizing the leisure time of boys. This is a community responsibility. It cannot be accomplished by any single agency, such as the home, the school, the church, or the boys' club alone. It must be accomplished through all the preventive agencies which touch the lives of boys and young men.

Tomorrow's Excavators in the Fair of Today

—H. I. Phillips in The Washington Post.

Q.—Are we digging deep enough?

A.—I think so. We just uncovered another one of those buildings nobody can make head or tail of.

Q.—You still think they were buildings?

A.—It is difficult to cling to the notion, but there are distinct signs of windows, et cetera.

Q.—We dug up a curious thing yesterday. It appeared to be a monster egg. Did they lay eggs that big in those days?

A.—Certain data from the New Deal period indicate they laid 'em much bigger.

Q.—Have you determined what that tall white shaft was?

A.—I can't make any sense of it. It appears to have been erected for no other purpose than to achieve height without purpose.

Q.—Almost everything we dig up bears the name Grover Whalen, doesn't it?

A.—Yes. It will be important when we dig up something that doesn't.

Q.—Who was this Whalen?

A.—He was evidently one of the great kings in that period.

Q.—But there were no American kings in that period.

A.—That's what you think!

Q.—What is your conclusion about that sunken pool and surrounding buildings we dug up last week?

A.—Everything around it bore the name of one Tut-Ank-Rose.



Dr. Chamberlain's quints.

Ben in Le Rire, Paris

Q.—Are you sure the name was Rose?

A.—In letters that big how could I be wrong?

Q.—This Rose was evidently an exotic person who loved to live lavishly. He must have been a great swimmer.

A.—He evidently had his palace here.

Q.—What makes you think so?

A.—I find constant reference to Holm.

Q.—What do you suppose those things were that we found in that odd building with the inscription "General Motors"?

A.—It's hard to say, but they were evidently some quaint contrivances for traveling from place to place. I think they were called automobiles. They ran at the ridiculously slow pace of eighty miles an hour.

Q.—It bears out our theory that in 1939 people did travel on land. By the way, who was this Ford person, some manifestation of whom we encounter every time we lift a shovel?

A.—The research department thinks he must have been a traveling man, possibly a strolling player. We find evidence of him no matter where we go.

Q.—The amazing thing is that we find nothing in all our excavations that bears any relation to our habits and customs today, two thousand years later, is it not?

(There is a hubbub from an adjacent point. One of the explorers rushes over, finds out what it's about and returns.)

A.—Well, you're all wrong in that last remark.

Q.—How so?

A.—They just dug up a midway and the mummy of a fan dancer! Civilization in that respect never changes!



Justice? Well, wake up! Remember that another Supreme Court Justice bears the good Welsh name of Roberts. If it only stopped there! But every Welshman is a Communist at heart, so it's no coincidence that John Llewellyn Lewis is head of the C.I.O. International Welshery has its key men everywhere. Who is the head attorney for the great banking house of Morgan? Who but John W. Davis? This banking house controls the U. S. Steel Corporation, and I suppose you still think it's just a coincidence that this company was the first in its industry to sign up with the C.I.O. A fast play between Davis and Lewis! The International Welsh-Communists won't stop until all American industry is in its clutches. I suppose you think Henry Morgenthau is powerful? Pooh! A bookkeeper! A front man for the International Welsh. For behind the scenes wielding the real power stands Jesse Jones—another good Welsh name—who through his R.F.C. lends billions to American corporations which must dance to the tune of the International Welsh. Is it still a coincidence that Norman Thomas—another good Welsh name—heads the Socialist party? Norman Davis "observed" at Geneva and quietly visited European capitals as the semi-official representative of our government. Do you doubt that he was in constant contact with David Lloyd George? Now bend closer while I whisper: the name Josef Stalin is only a blind—we have documents proving that he was christened David Abernathy Hughes.

The above paragraph took ten minutes to concoct. Give me twenty and I'll prove that it is not the Welsh, but really the Hawaiians who are sucking the nation dry and will presently push its skeleton into the garbage unless you sign up and begin paying dues.

Iceberg-Hunting Season Now Well Under Way

—Condensed from an article by Edmund Grimley in The News Chronicle, London.

Out in the North Atlantic, each spring and summer, United States Coast Guard cutters carry on their vigil for icebergs. It has been so every year since the *Titanic*, believed to be unsinkable, went down on the night of April 14, 1912, after striking one of these ice monsters of the ocean.

Nothing was done till fifteen hundred persons lost their lives as the result of a single collision. The United States government at once began a temporary patrol. Then in January 1914 an International Conference on the Safety of Life at Sea was held in London, and the United States was invited to take over the management of an international ice service.

Not more than three vessels were to be provided, and the various contracting governments agreed to contribute towards the cost. Great Britain and Northern Ireland pay 40 per cent, the United States 18 per cent, Germany 10 per cent, France and Italy each 6 per cent, with other countries contributing less.

Greenland alone produces somewhere between ten thousand and fifteen thousand icebergs every year. Massive and awe-inspiring, many of them rising 120 feet and more out of the water, they drift hundreds of miles, hardly losing their shape and size till the Gulf Stream and warmer weather cause them to break up and dissolve.

Patrol vessels are obliged to limit their cruising activities to an area of about 150,000 square miles near the Grand Bank. For the rest, they have to rely on reports sent them by radio from passing vessels of icebergs that have been sighted.

The question has often been asked why icebergs cannot be destroyed instead of being allowed to drift as a menace for weeks and months? The largest bergs are so deep-lying and hard that the explosion of a few hundred pounds of T.N.T. has little effect. Thermite should be placed in the heart of the berg so that the explosion may split the whole icy edifice. But it is neither safe nor easy. There are often no footholds for the men. More than once pieces of the ice have broken off or the plane of equilibrium has suddenly shifted,

The Welsh "Menace"; or Concocting a "Conspiracy"

—From the column, "Take a Look," by W. L. White in The Emporia Gazette.

If you are in a mood for conspiracies, you can concoct a spider-web chart proving that any minority is engaged in a blood-thirsty plot. Watch me do a job on the Welsh.

You think they're harmless? And that it doesn't mean anything that Charles Evans Hughes is Chief

causing the berg to fall over without warning, leaving a struggling group of men in the icy water while others in boats have rushed to their rescue.

Gunfire has been even less effective than mining. Occasionally, a well-placed shot may bring down a few tons of ice into the sea. But when it is remembered that many of these bergs are estimated to weigh 500,000 tons, and that only from one-fourth to one-sixth of the whole mass projects above water, the futility of firing at it may be realized.

The only thing is to await natural destruction. Either a berg breaks up by degrees or when in warm water gradually melts and disappears, in from seven to nine days.

Italy's Waiting Game

—From an article in *Telegrafo, Rome*.

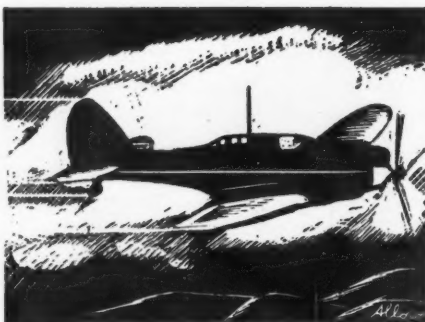
Germany's task has been comparatively easy, as none of the great Powers was sufficiently interested in defending the position taken. Italy, on the other hand, is up against two great world Powers. But there is no danger that Germany, having realized her Continental program, will leave Italy in the lurch. Italy could not carry out the *coups* brought off by Germany without provoking a world war; but Italy knows what she wants and where she is going. Italy is a past master in the art of waiting for her hour.

Poland's Man Power and Military Strength

—Condensed from *The Daily Telegraph and Morning Post, London*.

Poland's military strength lies in her man power. During the War more than one million Poles died of privation. Most of these were old people, so that the age-balance of population was disturbed. Today 50 per cent of the people are under twenty-five years of age—66 per cent under thirty! These figures mean that Poland, with a population of 34,000,000, can mobilize an army larger than France with 41,000,000.

In the post-war years a resurrected Poland was charged with optimistic virility. In the years 1920-25 the average number of boys born in Poland was 515,000. In Germany, with double the population, it was only 675,000. More recent figures are even more striking. Poles are naturally more prolific, and in the last ten years the average number of boys born in



Poland was 511,000, while in Germany it was 595,000. In young man power, therefore, Poland is only slightly inferior to Germany.

The Polish army thus is actually the fifth military power in the world. The standing army exceeds 300,000, including 45,000 regular officers and non-commissioned officers, while trained reserves exceed two million. Poland could mobilize an army of four million without crippling her essential economic life.

The standing army includes thirty well-equipped divisions of infantry, with two of mountain troops. Polish tanks are of excellent quality and performance, and are being produced in large numbers. Supporting troops include thirty regiments of field artillery attached to the divisions, independent brigades for general reserve, ten regiments of heavy artillery, mechanized units, anti-aircraft sections and armored trains.

The outstanding feature of the Polish army is its cavalry. I should class this as the best in Europe. Cavalry may be discredited in the West, but in the wide expanses of Eastern Europe it is very important. In a war of movement over a country with poor communications, the activities of mechanized forces are limited by considerations of supply; but in any part of Poland cavalry can live on the country.

Mounted troops consist of three regiments of light cavalry, twenty-seven of Uhlans, ten of mounted chasseurs and ten squadrons of scouts. All the divisions of the cavalry are equipped alike, with the machine gun as the dominant weapon. The Poles have developed the offensive as well as the defensive powers of the machine gun. I saw one remarkable advance by machine gunners alone, without the support of infantry, artillery or tanks. While one line kept up a fierce barrage, a second line advanced. This in turn sent out a venomous fire, and the process was repeated.

Poland's only potential difficulty is that of supplies in war time. Her native supplies of metals and coal are largely drawn from Upper Silesia, adjacent to the German frontier.

The problem has been tackled with energy. The French loan of £25,000,000 two years ago has achieved remarkable results. While other countries talk of five-year plans, the Polish press and Polish conversation re-echo with the continual mention of the "Central Industrial Area." In a triangle within the confluence of the Rivers Vistula and San, about the town of Sandomierz, has been created a new industrial development. Already dozens of giant factories are in production, and considerable reserve stocks are accumulating.

Thus the overwhelming bogey of the Polish high command has been laid. Even if the factories and mines of Upper Silesia were overrun in the first days of war, Poland would no longer be crippled. She could carry on under her own resources until outside help could come by roundabout routes or direct from Russia.

Stalin's Magnificent Concession?

—Condensed from an article in *Epoque, Paris*.

The question of the Russian pact must be approached without any sentimentality. If it goes through, it will not be a marriage for love, and in that case both parties are expected to try to get the best possible advantages for themselves.

Negotiations are carried on in an atmosphere of mutual distrust. England and France have all the reasons to fear that Russia would be a dangerous ally, that she would pursue her own purposes outside the framework of the pact. On the other hand, Russia cannot fully trust England and France. She knows that many French papers and many of the Deputies of the Government majority are against the pact and that the height of diplomatic skill would be to create a situation in which the Germans will be allowed to gulp down the Ukraine and partition Russia. The problem is to choose the least evil. Refusal to perpetuate this pact would mean the downfall of the anti-German barricade from the Baltic to the Mediterranean, and perhaps result in a pact between Stalin and Hitler; it would be catastrophic.

The capitalistic nations dislike the

idea of a union with a Communist government. But it is probably just as hard for the Bolsheviks to consent to such a reactionary step. Stalin finds himself following the path of Nicholas II. He has become reconciled to the fact that a people brought up in contempt of capitalism and democracy is now asked to make a pact with the most conservative republic in the world. It is unjust and absurd to disregard that and not to see that by this alone Stalin gives us a certain guarantee.

Japanese Bothered by Fear of Anglo-Soviet Pact

—Condensed from an editorial in Kokumin Shimbun, Tokyo.

Britain and France are leaving no stone unturned to win over small European states in order to complete the encirclement system. It is impossible for Japan to remain indifferent to European events, for developments there are destined to affect the Far Eastern situation directly and seriously. From this point of view, Foreign Minister Arita's grave concern about the talk of an Anglo-Soviet rapprochement is quite natural. It appears that Britain is opposed to a

military alliance such as Soviet Russia desires, as she is unwilling to commit herself to undertakings affecting the Far East; but British diplomacy, as is its wont, may change suddenly. As for Soviet Russia, her set purpose is to cause a world revolution, and she is ever on the watch for an opportunity to set Europe and the Far East on fire. In other words, a European conflagration and the Bolshevization of China are two things on which Moscow's mind is set at present.

—Condensed from an editorial in Hochi Shimbun, Tokyo.

That Great Britain hesitated to act in concert with Moscow in the Far East indicates that Britain is under no illusion as to the disadvantage and undesirability of making an enemy of Japan. If Britain decides to accede to the Soviet proposal, all will be over between Japan and Britain. Even if the Far East may be excluded from the scope of the encirclement system, the conclusion of an Anglo-French-Soviet alliance may automatically involve Japan in the European trouble should Germany and Italy come into a head-on collision with Soviet Russia, despite

the fact that Tokyo has decided not to enter a military alliance with the Axis. In such an event, Japan will have to consider her attitude seriously. At the moment, Japan's diplomatic efforts must be directed toward preventing collaboration between Britain and Soviet Russia, so that Japan may be able to fill the obligations of the anti-Comintern pact without running the risk of embroiling herself into the turmoil of another world war.

Shades of Monroe!

—From The Latin-American World.

"Generalissimo Francisco Franco does not plan to follow up his victory with an attempt to regain the lost Spanish colonies in America," says his mouthpiece, Señor Alfonso Es-tera.

By Monroe, sir! That's mighty generous of the man.

A Second Lawrence of Arabia

—Condensed from an article in The Sunday Express, London.

Today, once again, there is a Briton who is a power behind the scenes in Arabia. He dresses like an Arab, he speaks to the Arabs in their own language, and he has gained the confidence of semi-savage tribes as Lawrence did.

Harold Ingrams is his name, and though he is in a sense the successor to Lawrence, yet he differs from him in two important points. First, where Lawrence organized the Arabs for war, Ingrams has succeeded in bringing to South Arabia the first peace it has had for centuries. Second, where Lawrence rode the Arabian Desert alone, Ingrams rides with his wife.

Harold Ingrams is in the early forties. He is six feet tall, with phenomenally fair hair and pale eyes.

Only five years ago Ingrams was on service at Aden at the mouth of the Red Sea. Facing Aden is a long sun-scorched strip of the coast of Southern Arabia which is called the Hadhramaut. In the atlas it is usually marked with vague boundaries—for few know exactly where it is or what it is, or who lives there under the rule of whom.

Actually it is the home of 300,000 members of Arab tribes. Some have been brigands, some cultivators of dates and corn, and some tenders of the exotic incense-tree which for



Volga boatmen.

Thomas—The Detroit News

two thousand years has sent its gum from this coast to make an awesome odor in all the churches of Christendom. It is a land mostly desert, but with some cultivable valleys.

Ingrams and his wife were lured by a mystery of this coast to make a visit in 1934. They found a sad land indeed. Cursed by nature with an

learned from the Colonial Office that he was to go to the Hadhramaut. One of the principal rulers, the Sultan of the Q'aiti, had asked for him to be sent as an adviser. He arrived with his wife at Makella, the principal port of Hadhramaut and the residence of the Sultan, late in 1936, and immediately set out to achieve the

on the women. For the influence exerted through the wives of the Hadhramaut was not small.

Soon Ingrams had a fine array of signatures; but the refusers also formed an array. Many would say: "I would willingly sign, but suppose when I have given my pledge my neighbor attacks me, will the British government help me?" And as yet Ingrams was not in a position to answer "Yes."

It so happened that a test case arose almost at once. In January 1937 a British officer who had come to Hadhramaut to survey roads was fired on and two of his men were injured. The tribe responsible was the Ben Yemani. The heads of the tribe were summoned before the Sultan and Ingrams. They were found guilty and fined ten camels, thirty rifles, and one hundred goats. All Hadhramaut waited to see whether Ingrams really had power or not.

Letters were sent demanding the fine. No reply. Next the tribe were told that if they did not pay up, the village would be bombed by the R.A.F. Still no reply. Then the villagers were warned to leave their houses for the fields at a certain hour. They were told the wells on which their water supply depended would not be destroyed.

At the appointed hour the R.A.F. came, dropped some bombs—which did not do much damage—and flew away. At once the Ben Yemani men came in, bringing their camels, rifles and goats, and paid the fine. Thousands came to Makella to witness their submission, and Ingrams publicly shook hands with the heads of the tribe.

Shortly afterwards he and Mrs. Ingrams went to stay with them. The chiefs of the Yemani were most agreeable, and actually thanked Ingrams for having bombed them. It was a matter of face. "If we had not been bombed," they said, "everybody would have laughed at us and said we were cowards, and the government were lying, and we wouldn't have been bombed if we hadn't paid."

With the defeat of the Ben Yemani the remaining tribes hastened to sign Ingram's three-year truce. And thus it came about that in March 1938 there was at last peace between all the tribes of Hadhramaut. The gratitude of the Arabs was deep and sincere, and Ingrams was given the honorable title of "Friend of Hadhramaut."



"This is so we can't be encircled."

Le Canard Enchaîné, Paris

infertile soil, it was cursed still more by warring man.

Ingrams found that the 300,000 people were divided up into 1,200 tribes, which had from time immemorial waged feuds against each other. The state of the country had become such that the fields were connected to the villages by trenches, and some people had literally not dared to pass their own house doors for twenty years. In a single valley there was an average of ten deaths a month through the feud. In this and plenty of other valleys land lay idle because the people did not dare to come out with their spades and rakes for fear of a rifle shot.

Ingrams and his wife outstayed their intended leave, and went ten days inland to places not hitherto visited by Europeans. And everywhere they went people said: "Bring us, we pray you, peace. Help us to end the feuds that we are sick of." Ingrams had to answer that he had no official position in the Hadhramaut and no authority, but he went back to Aden with the feeling that there was work to his hand, and wrote a report to the Colonial Office.

Two years passed, and Ingrams

seemingly impossible task of ending the feuds.

He and his wife dressed as Arabs, lived as Arabs and entertained as Arabs. They started out on tours of the country that were to extend to thousands of miles. They traveled by camel and mule. They carried no arms, and avoided outraging the Arabs' beliefs. They drank no alcohol. They stayed with Arabs when they could; when they could not, they slept beneath a cliff.

Ingrams' grand object was to work the tribes up to sign a three-year truce, during which none should attack another. He carried his draft truce everywhere with him, collecting signatures not only from chiefs, but from heads of families—thousands of signatures.

He and his wife visited every tribe in the Hadhramaut—the peaceable tribes and those who made a living by banditry and murder alike. He found that the Arabs could be convinced if you took each one alone, but in conclave nothing was to be done with them.

And while Ingrams was talking peace to the men, Mrs. Ingrams went into the harem and exerted herself

Spaniards in Exile

—Condensed from an article in The Manchester Guardian, London.

At Argelès, France, there are sixteen thousand civilians who have a camp to themselves. Most of them have borne arms at one time or other, but as officials, lawyers, doctors, schoolmasters and workmen their civilian nature carries the day, and they have begun to organize themselves with courage and energy and that resilience which is characteristic of Spaniards.

The Jefe del Campo—once an official high up in the government, a lawyer and a man of experience in organization of various kinds—has now a decent little office in a wooden barrack with a table and a typewriter. He told us what had already been achieved in the organization of the camp and his plans for the future.

All sorts of things have been done since the first days of chaos, when there was nothing but thousands and thousands of men on the naked shore, and though to me it seemed still very ghastly there have been improvements and the Spaniards with such means as have been given them have done wonders. The French have given corrugated iron, and everyone now has some sort of shelter even though it is only a sand burrow high enough to lie down in.

They are all organized into groups of forty. Each group has a chief, who receives the rations and gives orders, also a cook, who is busy a good part of the day stirring great pots over fires in the sand (there are now rations of fuel). There is also a working brigade of nine hundred stalwarts—all volunteers—who are building wooden barracks and see to the cleanliness of the camp.

The Jefe del Campo is rightly proud of what Spaniards call the limpidness of the sand. One can walk round now without even finding a potato peel, let alone things worse. I speak, of course, of things visible. Vermin is still a terrible scourge, and as the men have only the rags they stand up in it is difficult to fight. The British Red Cross has promised shirts and shorts. At present one finds groups of half-naked men boiling their rags and blankets to free them from lice—the greatest pest of the camp and one it will be possible to combat only when clothes have been distributed.

It is when he talks of schemes for

the future that the Jefe is happiest. He gets out little plans, made to scale by an engineer. This barrack, he says, is to be divided into partitions; it is the married quarters. Oh yes, there are women in the camp, about two hundred who refused to leave their husbands, and who with their children are humanely ignored by the French. They ought to be transferred with the rest somewhere into the interior, but as they threatened to kill themselves if torn from their husbands they have just been left and are at present in the sand burrows. (There are another two hundred with 160 children also at Argelès, but living apart.) This other barrack is to be for the artists—there are twenty-three of them—this other for the Centro de Cultura, where there will be lectures, given by professors and schoolmasters, and language classes. Then there are the barbers' barrack and, most important of all, the theater. It was with tender pride the Jefe produced the plans for this. As he talked the squalor vanished.

When we asked the Jefe how he was going to get materials for all these things he said he had not anything except the wood to build with, but he thought we would give him the other things: a few musical instruments for the theater (there are many excellent singers and performers in the camp), lesson books, paper, envelopes and pencils for the Centro de Cultura, barbers' outfits. We said that we would appeal for them but that people in England might think that while men were dying for lack of the most elemental medical necessities it might be difficult. "But don't people in England know," he said, "that spiritual needs are as great as physical—that people are going mad in the camps because they have nothing to do but brood on the anguish of their situation, that illness is in part psychological, that men die when they have lost all hope in living?"

It looks as if it will be many months before a solution is found for most of these men. Refugees are being admitted back to Spain only in drib-

lets of a hundred a day; the first embarkations to Mexico have not yet started except for individuals. The Jefe is right. To save abandoned men from madness something must be done for their moral, for what he calls their cultural, life.

Nazi Press Chief Spanks "Agitators" in World Press

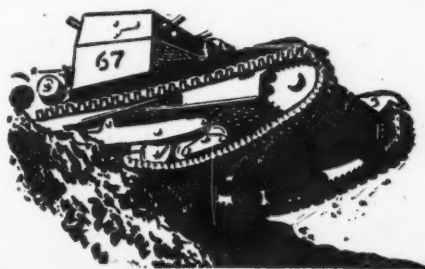
—Dr. Otto Dietrich, Reich Press Chief, in a round-robin to the German press.

A far-sighted statesman once declared: "The next war will be declared by the press." I hardly believe that this statement is exaggerated in its sanguinary irony. In many countries today, the press dominates public opinion. Respect for the printed word has become an ingrained habit with many people. Unfortunately, they are too easily inclined to believe the evil rather than the good. . . . and even serious publications easily fall prey to lies.

Much would be gained if the world press would not write merely about peace, but would ban war agitators from their offices. Even if we have different political opinions, we should all agree on one point: respect for the truth.

I have frequently expressed the conviction that one of the cardinal tasks confronting statesmen is to bring about peaceful relations among the press of the civilized states. The German press, indeed, has sought to create understandings of this nature with various European states. The prerequisite for such gentlemen's agreements, however, is strict reciprocity. It cannot be tolerated that, under the guise of a misconceived "freedom of the press," peoples throughout the world are further incited, while our own German press maintains strict discipline.

Recently one of the most prominent American newspaper publishers visited me, and I made him this fair offer: if he would publish a good article on Germany in the United States, I would publish an article of his in the German press. In great embarrassment he answered that he was fearful of being charged by American competitors of being under German influence, should he consent to my offer. His answer was significant, and indicative of the destructive and dangerous attitude prevailing in a large segment of the international newspaper world.





A Day at the World's Fair

—Reprinted from the column, "Today and Tomorrow," by Walter Lippmann, in *The New York Herald-Tribune*. Copyright, New York Tribune, Inc.

ON the way from Washington, with its political quarrels, to Europe, with its crises, I have at last managed to spend the better part of a day at the World's Fair in New York. That is not nearly a long enough time to see the Fair. But it is time enough to see the point, which is that the human race is a collection of the most marvelous, ingenious and engaging idiots that ever got possession of a noble planet. Everything is on display, from instruments so precise that they will measure the pressure of a man's thumb on a steel rail to a regiment of perfectly formed human creatures—everything is there that demonstrates how, with his capacity for accuracy and beauty, man retains a preposterous incapacity to enjoy the fruits of his genius, to be as wise as he is intelligent, to be as good as he is great.

No doubt each man will take away from this exposition that which he has brought to it and is prepared to see. I have come away thinking how little like the truth are the formulae which we dispute about and dignify by calling our ideologies. In the Russian building, for example, one may read on the walls all kinds of inscriptions announcing the birth of a social order different and better than any which has existed on earth. Yet, as proof, there are exhibits which seek to convince the American crowds that Russia is now more American than America itself.

There is a room designed, somewhat unconvincingly I thought, to convince us that the dictatorship of Stalin is a democracy in which elected representatives wait to hear from their constituents and do not forget to kiss the babies. There are exhibits to show that Russia has constructed a Pittsburgh, and that in Moscow they are building an edifice which is somewhat like, though a little taller than, the Empire State Building, and

that on top of it there is an energetic Lenin made of steel instead of a genial Al Smith made of flesh and bones. There is also a section of the new Moscow subway which combines the engineering skill of the B.M.T. with the decorative art invented by American manufacturers of bathroom fixtures.

So I came away from the Russian Pavilion feeling that the influence of America on Russia was probably greater than the influence of Russia on America.

And then I visited the Italian Pavilion, with its lovely cascade of cool water pouring down the facade, and I thought how excellent it would be if Signor Mussolini and Count Ciano could stand under it and cool off and relax and remember that Rome, which was not built in a day,

THE famous *New York World* died on February 27, 1933, and Walter Lippmann, its brilliant young editor, joined the staff of *The New York Herald-Tribune* as columnist. Today his views on national and international affairs appear not only in *The Herald-Tribune* but in more than 150 other newspapers—with an audience estimated at seven million.

Walter Lippmann is many things; he is a political scientist, an economist, a philosopher, and—of great importance—an artist of the English language surpassed by few contemporary writers. His books—particularly *Public Opinion* (1933)—and his articles and columns are written with clarity, force, economy. His writing has such classic simplicity, such grace, that it seems almost effortless.

Walter Lippmann has another skill. He not only sees clearly but sees fully and deeply. Recently he visited the World's Fair in New York and saw things which most other writers who had attended the spectacle missed. Lippmann set down his observations—with effectiveness and rare ability to synthesize—in his column; people who read it felt that the Fair, for them, had taken on an extra dimension.

is the Eternal City of Western Man, to be guarded with reverence and exalted in magnanimity.

For all that is displayed elsewhere in this Fair, the variety of man's interests and talents, the endless ingenuity and courage of his enterprises, will surely distract and destroy mankind if men cannot find once again that sense of the universal in the particular, the allegiance to that which is catholic in that which is diverse, of which for more than two thousand years Rome has been the center and the symbol.

This I felt most strongly as I saw the truly splendid exhibits of American industrial technology. That incredibly magnificent box of tools cannot be used by men who, having learned to do the vector analysis in mathematical physics, are not yet able to add and subtract correctly in political economy, who can calculate the fineness of a machine to a millionth of an inch and cannot calculate a government budget within four billion dollars. For the reason why men cannot calculate well in their political economy is not that they really cannot add and subtract. It is because they do not have the moral unity with their fellows and that moral equilibrium within themselves which would enable them, and permit them, to deal with their social life steadily and as a whole.

THIS undermines all their calculations. Moreover, it entangles them in the greatest of all their misunderstandings, the failure to realize that men are much more likely to be right in what they affirm than in what they deny, and much more likely to see the truth in that which they love than in that which they hate. I went, for example, to the General Motors Building. Surely it is as proud an exhibit as one could find of what men can achieve by private initiative, voluntary organization, individual leadership and the personal genius of scientists and inventors. And looking at it one might be disposed to say: this is what private enterprise can do, and the best that the Italians or Russians have to show is no more than a feeble approximation to it.

Then one rides around and is shown the America of 1960 as Mr. Norman Bel Geddes conceives it, an America where one problem at least, namely the traffic problem, has been completely solved. And one realizes

that this paradise of the motorist will have to be constructed not by private enterprise but by a public-works administration.

General Motors has spent a small fortune to convince the American public that if it wishes to enjoy the full benefit of private enterprise in motor manufacturing it will have to rebuild its cities and its highways by public enterprise. So one comes away feeling that men are right when they affirm the value of private enterprises and when they affirm the necessity of public enterprises; where they go wrong is in denying that both are necessary and that their collaboration is indispensable.

HAVING rested my legs and what remained of my mind at Billy Rose's Aquacade, I was ready for the British Empire. I may have missed a few of the dominions and a good many of the crown colonies, but nevertheless I saw enough to come away feeling that there is a lot of life in the old girl yet. In fact, it seemed to me that the inherent strength of Britain was most surely revealed in the good manners of the British exhibit, in the total absence of vainglory and of the desire, manifested elsewhere, to knock your eye out.

The British are exhibiting their tradition of political freedom with Magna Carta as the center. They are exhibiting their social reforms, showing not, as in some other pavilions, that all problems are solved but how much progress has been made in solving them. And the British are exhibiting very honest, and not at all showy, goods that they manufacture. What they seem to be trying to say is that they cherish freedom and would like to work and to trade and to solve the unsolved problems of social living. I came away thinking that only the strong can be so modest and only the honest heart can be so quiet.

Filled with these noble sentiments, conscious that I had missed Sweden, Czecho-Slovakia, Utah and Louisiana, it was nevertheless time for dinner. That took me to the French Pavilion, of course, not only because French food is the best in the world but also because the French know better than anyone else how and where to eat their food. They eat like civilized men, and at the Fair they have built a dining room where, if one can get into it, it is possible to eat and watch the fountains and the lights.

This is very correct, and it is very French. For after a man has seen all the energy of the human race and its enterprise and its effort, he should sit for a while and be comfortable and remember what the struggle is for and contemplate the colored waters which play in the cool of the evening.

Newspaper Leadership

—Condensed from The California Publisher.

From time to time in nearly every community the local newspaper is confronted with unusual situations, solutions of which, together with the problem of how and when to release the story, vitally affect the welfare of the entire city. One of the most unusual situations of that kind recently occurred in Glendale, California. Chief of Police V. B. Browne, accompanied by his pastor, came into the office of publisher W. S. Kellogg and related an amazing tale of how some sixteen years before, in a small town in Oklahoma, the Chief, as cashier of a bank, had been convicted of embezzlement and sentenced to serve two years in the state prison. How after he had served eleven months, he had been granted an unconditional pardon by the Governor of the State because of extenuating circumstances. How he then came to California and remade his life.

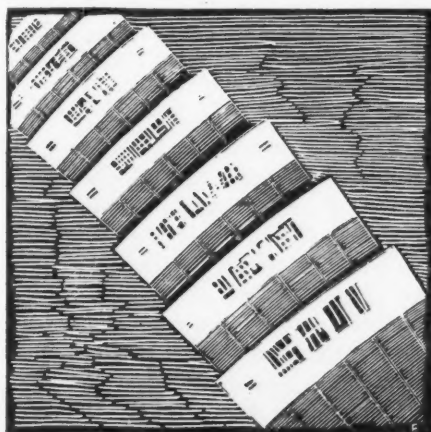
The Chief stated that the reason he was telling Kellogg the story was that an anonymous person had first called him on the phone, threatening him, and then had placed a prison photograph of him under the door of a Glendale institution, the proprietor of which turned it over to City officials. He told a frank, straightforward story; and what a story! Glendale's Chief of Police an ex-convict—a man who had served a prison

term and then rehabilitated himself to a point where he was not only head of the Police Department, but also one of the respected and beloved citizens of the community.

Kellogg decided that here was a man worthy of support if the facts could be substantiated and the story temporarily withheld. The Glendale City Council then sent back to Oklahoma an investigator, who not only verified all the facts but produced unquestionable evidence that Browne had been a victim of circumstance, and that his endeavor to help farmers with their crops resulted in the bank's failure and his conviction.

Despite these facts, the City Council was faced with an extremely ticklish situation. How could the Police Department possibly function with an ex-convict at its head? Was it fair to the City to retain him? Was it fair to the Chief to dismiss him? Wouldn't his many friends condemn the Council for pushing a man back into the gutter after he had already shown his ability to rehabilitate himself? Wouldn't those who weren't close personal friends roundly criticize the Council if they didn't dismiss him? Kellogg analyzed the situation as follows:

1. The story was bound to come out sooner or later—with some fifteen individuals in possession of it, and Los Angeles papers on the scent.
2. It was an obligation of the Council to release the story to the people. Furthermore, the manner in which the story broke would decide the public's reaction.
3. The Council's first obligation was to the community, its second to the individual.
4. If the Council asked for the Chief's resignation or dismissed him, there could be no retracing of steps.
5. The only decent solution was that the Council should make a straightforward statement of all facts, which in effect would say: That the Chief had brought credit to his community as a member of the police force, had paid the penalty for his past mistake, and, until there was good reason why the Council should do so, he would not be dismissed. The Council would guarantee immediate action if it became apparent the Department was not functioning in a proper manner. Kellogg pointed out that by adopting such a course the Council would immediately get the reaction of the public, that if the public felt the Council had done an



unwise thing, it could still dismiss the Chief the next day, the next week, the next month. He pointed out the two appealing and dramatic elements in such a course of action—the ones he would stress in a story:

Here was an amazing situation involving a man who, through sheer nerve and character, had rehabilitated himself as a fine member of society. And here was an amazing City Council that had the good sense and sound judgment to give a man a chance, but at the same time protected its City.

The councilmen said that such a solution sounded fine, but they couldn't imagine such a story in print. Then Kellogg read to the Council a story written the night before by himself and Charles Wathey, a *News-Press* reporter, in anticipation

that the Council would adopt such a course of action, which it then did.

Hardly had *The News-Press* hit the street until the phones of city councilmen were swamped with calls of congratulations. A spontaneous meeting of the Police Department gave a unanimous vote of confidence to their Chief and praise to the Council. For days resolutions of satisfaction from nearly every organization in the community poured into the newspaper office and to the Chief himself. The community instead of being saddled with the stigma which could have been attached to such an incident received commendation.

Here was a case where the leadership of a local newspaper helped solve a perplexing problem in a manner which resulted in benefit to all concerned.



On Swinging Spirituals

—From a column by "Our Social Trends Correspondent" in The Baltimore Evening Sun.

NOT so long ago, when jazz orchestras took to swinging old English and Scottish songs, many people—especially of Scottish ancestry—were offended. They did not appreciate the slurred, unctuous and somehow suggestive sound of "Loch Lomond," as crooned to swing accompaniment, and "Annie Laurie" getting hot licks and a diddy-de-dup bick-bick-bick bickety buck.

Lately, swing bands have taken to hottening up, or warming over, Negro spirituals; and *The Pittsburgh Courier*, a Negro newspaper, is deluged with indignant letters of protest. From Natchez, Mississippi, the moderator, secretary and corresponding secretary of the Antioch Missionary Baptist Association, representing sixty churches, have written: "A resolution was passed that this body go on record as joining in the protest made by your paper, as led by Reverend George W. Harvey, of Braddock, Pennsylvania, on the swinging of spirituals. We, too, protest this insidious evil. Music as it is now sung, in gin shops, dance halls, on records, by orchestras, black and

white, is truly a disgrace to the entire race."

A letter-writer from Little Rock, Arkansas, informs Reverend Harvey that in a dance hall near where he lives they are swinging "When the Saints Go Marching Home" and "Don't Be Like the Foolish Virgin"—adding such phrases as "we will kill the old red rooster when they come" and "we'll have chicken and dumplings when they come." An instructor in music in a Haynesville, Alabama, colored high school writes:

"The sacrilegious desecration of our 'spirituals' . . . is entirely wrong and out of place. There are some things that the Negro should hold and keep sacred. . . . There cannot be much respect for one who takes 'Swing Low Sweet Chariot,' 'Steal Away' and many other spirituals I could name, and swings them."

I THINK protests are in order, both as to the Scottish and English airs and as to the Negro spirituals. In the case of the former, swinging distorts and cheapens traditional songs; while in the case of the latter, the music *already is swing*, though in a very gentle and subtle form, and to swing it again is to destroy it.

From the time John Wesley's

church introduced early Methodism to these shores, American Negroes have been swinging campmeeting songs. The melodious and often hauntingly beautiful religious songs now known as Negro spirituals, and assumed by most people to be of purely Afro-American origin, are a very interesting outgrowth of white spirituals which were immensely popular with the evangelical sects of the eighteenth and nineteenth centuries. A comparison of spirituals sung by Negroes today with the "spiritual songs" in old Methodist, Baptist and Presbyterian songbooks plainly demonstrates this kinship. For that matter, spirituals are still sung by white congregations in some out-of-the-way places in the Southern Highlands where there are no Negroes. In his scholarly volume, "American Negro Folk Songs," published ten years ago by the Harvard University Press, Professor Newman I. White cited the first conclusive evidence to show the white basis of the Negro spirituals. More recently George Pullen Jackson, in his "White Spirituals of the Southern Uplands" (University of North Carolina Press), carried this work further by placing, side by side, the text of very early white spirituals. In many instances, lines and even whole stanzas have been taken over, while paraphrase is very common.

In the early days the white evangelical sects held campmeetings which were attended by many Negroes, who joined heartily in the singing and even, on occasion, did the preaching, too. (Professor White states that it is a matter of record that the body servant of Bishop Ashbury, founder of American Methodism, was a noted exhorter who was "not always regarded as inferior to the bishop.") When the Freedman's Bureau was set up, after the Civil War, Northern welfare workers heard the Negroes singing spirituals and lost no time in converting them to propaganda purposes. It was natural for them to assume that these "freedom songs" were a spontaneous expression, never realizing that the primitive white sects had sung just as fervently of freedom (from sin).

If the Negro did not originate spirituals, however, the Afro-American product certainly is a great improvement. In such of his spirituals as are definitely of white origin, the changes are all to the good—the imagery is more picturesque and

lively, and the music, indubitably Negroid, has qualities which few white singers can successfully imitate. Certain of the better-known Negro spirituals have never been traced to any source other than the Bible. By appropriation then, and more rarely, by composition, the Afro-American has made the spirituals his own. By long association, they have come to have a very special meaning to his race, or, at any rate, to many members of his race. Certainly the protests against jitter-bugging them seem justified.

The Boy Who Forged Shakespeare

—Condensed from a review by Louis Gannett in The New York Herald-Tribune of John Mair's "The Fourth Forger: William Ireland and the Shakespeare Papers." (Macmillan, \$2.75)

William Ireland was probably born in 1775, though he asserted the date was 1777, which would have made him only seventeen when he first fooled the world; and his father was probably an engraver and antique collector. At eighteen he accompanied this gullible father to Stratford-on-Avon and watched him pay good money for what purported to be the very oak chair in which Will Shakespeare sat when he held Ann Hathaway upon his knee. When the boy saw what Stratford swindlers could do, he may have thought that he too could fool his father.

At any rate, he did. First he brought home a letter to Queen Elizabeth, supposedly written by the author of a quarto book of prayers that William had picked up in a shop. This first forgery his father unhesitatingly accepted as genuine; so William, who was apprenticed as a law clerk, cut off the blank leaf of a seventeenth-century rent roll which he found in his employer's office, and forged a lease between William Shakespeare and a certain John Heming.

Again his success surpassed his hopes. His father took the document to the Heralds' Office, where the seals were recognized as genuine. (They were indeed genuine. William had split an old seal down the middle, and fixed it to the parchment with wax, rubbing the seal with soot to conceal the joint.) So William moved on to original composition. First, he produced a grateful letter from Shakespeare to the Earl of Southampton,

ostensibly settling the moot question of Southampton's patronage of the poet; next, he composed a Shakespearean Profession of Faith, settling for all time the suggestion that the Bard might have been more Catholic than Anglican. Two great scholars, Drs. Parr and Warton, Anglicans both, were invited to pass upon its authenticity. Dr. Warton listened; William feared that he would pronounce it a forgery. Instead, the doctor said solemnly: "Sir, we have many beautiful passages in our Litany, and in many parts of the New Testament, but this great man has distanced them all."

William listened, entranced. Not only could he write like Shakespeare; he was better than the Bible! And he was not yet twenty years old.

He waxed audacious. He produced a self-portrait, of Shakespeare by Shakespeare himself, together with a letter to Ann Hathaway and a poem, and to this he added a lock of Shakespeare's hair, tied with a piece of silk which he had clipped from an authentic Elizabethan document! Then he proceeded to a series of documents which established Shakespeare's moral character according to refined eighteenth-century taste. He wrote a letter to the poet from no less a lady than Queen Elizabeth herself, thus establishing his gentility in contradiction of critics who called him a bar-room bard. Then he produced an original manuscript of "King Lear," re-editing the text to improve its English and omitting the notes of ribald coarseness which the age disapproved. This established Shakespeare himself as a man of refinement; it was only his editors who were coarse. And for a time no critic seemed to observe that the curious spelling in which Ireland wrapped his Shakespeare manuscripts was rather that of the spurious antiques of Chatterton than that of authentic Elizabethan documents.

Finally, he produced an original Shakespeare play, "King Vortigern," and Sheridan produced it at the Drury Lane, with Fanny Kemble's father in the leading role.

Before "King Vortigern" could be produced, however, doubts were stirring. Sheridan himself refused to assert flatly that the play was by Shakespeare; Kemble, hostile, suggested that its première be set for April Fool's Day. The poet laureate and sundry scholars vouched for the genuineness of the volume of Shake-

speare's Documents which the elder Ireland published a few months before the stage performance; but a stout 400-page volume by a bitter Irish critic, Edmund Malone, appearing on the eve of the play, convinced most of the world that the whole business was a fraud, and the play was howled down from the galleries.

Then came the neatest irony of all: William Ireland made public confession and boasted authorship of the words which so many had hailed as good enough for Shakespeare. But the elder Ireland, his own reputation at stake (most critics suspected him of the forgeries) continued to proclaim the authenticity of the documents; he argued at length that his son was too stupid to have invented them. The learned world, angry at its own deception, refused any longer to concede them any worth at all. And William, embittered and impoverished, had to live another forty years, a hack journalist writing shoddy novels under a dozen pseudonyms, and always eager to revive the story of his great days as a forger.

Art for the Fair-Goers Outside the Fair Grounds

—Condensed from the Magazine of Art, Washington, D. C.

Mr. Grover Whalen and his associates of the New York's World's Fair, who originally intended art to appear only as the handmaiden of advertising (a perfectly legitimate viewpoint for a fair), ended by tossing up a pavilion for which was assembled \$30,000,000 worth of Old Masters, after authorizing Holger Cahill to spread a dragnet over the country to bring in a large and catholic selection of contemporary American art. The accomplishment of this eleventh hour right-about-face is as phenomenal as the Ford Building.

While the Fair Corporation was wavering, museums and galleries in Manhattan were quietly preparing for the visitors. Theirs is a rich and varied panorama which should prove rewarding to the weariest of Fair-goers.

The most popular event doubtless will be the exhibition of *American Life* for three hundred years, arranged by the Metropolitan Museum of Art. Attics and front parlors throughout the United States have contributed their share to this pictorial narrative. Here paintings have

been chosen frankly for their subject matter, to illustrate the customs and manners of our country, as well as the people and events that have shaped its history. Considering that our outstanding early painters specialized in portraiture, and that artists of the caliber of Winslow Homer and Thomas Eakins were graphic realists who delighted in depicting the now much exploited American scene, the exhibition contains work of quality as well as a great deal of lively entertainment.

Most spectacular and fashionable event is the kaleidoscopic view of *Art in Our Time*, presented by the Museum of Modern Art in its new, glass-walled building. Here, by the way, one is apt to come closer to a forecast of the future than anywhere in the Flushing meadows, site of the Fair. The exhibition includes painting, sculpture, graphic art, architecture and planning, and industrial art, by living American and foreign artists and designers. Photography is also included and selections of foreign and domestic motion pictures of the last forty years.

In the early part of July the Whitney Museum reopens with an enlarged and altered building and a new lighting system which has not previously been used in this country. Handicapped by limitations of space, the Whitney has heretofore been unable to keep possessions permanently on view. The new galleries will make it possible to hold a representative and comprehensive exhibition which will give visitors and New Yorkers, too, for that matter, an idea of the scope of this all-American collection, which since 1931 has purchased 44 sculptures, 154 paintings, 163 watercolors, 83 drawings and 374 prints.

An exhibition that has had little fanfare, but that merits attention is the survey of American printmaking arranged by Frank Weitenkamp, Curator of Prints at the New York Public Library. In his own words Mr. Weitenkamp described the exhibition as starting with "eighteenth-century prints, produced with courage if with few other qualifications," and ending with "the work of artists who, although they are no longer with us, clearly belong to the present." This eminent institution is also showing pictures of World's Fairs of the past—London, New York, Paris, Philadelphia and Chicago.

The Brooklyn Museum is showing historical American popular arts

from May 14 through the summer. Such American phenomena as the cigar store Indian and the cast iron statuary that flourished in the 'nineties are on display, with furniture, pottery and other objects of the eighteenth and nineteenth centuries.

The National Academy, now so staid that it is difficult to recall that it was the daring rebel organization of a century ago, is holding an exhibition of work by its members, past and present. Among the artists represented are Sargent, Abbey, Homer, Duvneek, Henri, Chase, Bellows, Innes, Eakins, Abbott Thayer, Melchers, Hassam, Ryder, Saint-Gaudens, French, Bartlett and J. Q. A. Ward.

Another conservative organization, the American Academy of Arts and Letters, is exhibiting paintings by Edwin Austin Abbey and Childe Hassam, two former members. In addition there is an extensive display of paintings, sculpture and graphic art by living and deceased members, not only of the Academy but also of the National Institute of Arts and Letters.

Of unusual interest is the contribution of the American Museum of Natural History, which has assembled a special exhibition of primitive and native arts from collections made by Museum expeditions in Africa, Central and South America, Asia, Alaska and the South Seas. It has brought together sculptures, carvings and textiles in a variety of materials.

While primarily of historic interest, both the New York Historical Society and the Museum of the City of New York contain paintings and

prints. The former now houses the Folk Arts Collection, said to be one of the best of its kind in the world. The Museum of the City of New York is displaying Currier and Ives prints of the New York scene, while its permanent collection includes early costumes, silver, china and pottery, furniture, theatrical material and many other pleasant mementoes.

The Riverside Museum, which now occupies the former headquarters of the Roerich Museum on Riverside Drive is presenting an exhibition of contemporary painting, sculpture and applied arts from nine Latin American countries. Participants are Brazil, Chile, Paraguay, Cuba, Guatemala, Nicaragua, the Dominican Republic and Mexico. It is sponsored by the United States New York World's Fair Commission, supplementing the foreign exhibits at the World's Fair.

The dealers' galleries have also risen to the occasion; not only do most of them expect to remain open throughout the summer, but a number are planning special exhibitions.

Last, but far from least, are the permanent exhibits of the Metropolitan Museum, the Old Masters of the Frick Collection, the illuminated manuscripts and other treasures of the Pierpont Morgan Library. And then, for those who want to get away from it all, what could be better than the Cloisters, tranquil stronghold of medieval art, located in Fort Tryon Park high above the Hudson? Here even one's view is undisturbed, for Mr. Rockefeller, who donated site and funds for the Cloisters, was also kind enough to purchase the Palisades across the river.



By HARVEY W. LAWRENCE

THE National Conference of Christians and Jews was founded in 1928, following a letter of appeal for such an organization by Chief Justice Charles Evans Hughes and the late Dr. S. Parkes Cadman, outstanding Protestant pastor. For nearly ten years, until his death, it was headed by former Secretary of War Newton D. Baker, who once defined the organization, its aims and purposes, as follows:

"The National Conference of

Christians and Jews associates a number of thoughtful and earnest people in an effort to analyze and allay the prejudices which exist among Protestants, Catholics and Jews. The Conference seeks to moderate and finally to eliminate a system of prejudice which we have in part inherited and which disfigures and distorts our business, social and political relations."

Primarily it is an educational organization, striving to promote better

relations between Jew and Gentile, Catholic and Protestant, through the creation of mutual respect based upon understanding of the traditions and heritages of America's various religious groups. Mrs. Eleanor Roosevelt describes its educational campaign enthusiastically as "a potent and necessary piece of work which deserves the approval and support of good citizens everywhere." The organization has succeeded, where others have failed, because it holds no brief for any particular religion. Within the framework of the individual's religious background, it fosters traditional American respect for the rights of other Americans to worship God as they see fit.

Among the techniques used are:

1. Traveling good-will trios consisting of a priest, a rabbi and a Protestant minister, who, in public dialogues before audiences, explore causes of distrust and ill-will and point out the need for mutual good-will.

2. Local round-table groups of Catholics, Jews and Protestants, set up in many communities throughout the country. These groups annually celebrate Brotherhood Day, which is marked, by ministers and rabbis in churches and synagogues throughout the country, with special pleas for brotherhood and tolerance. This year, Brotherhood Day was celebrated in almost two thousand communities.

3. Regional, state and national good-will seminars, held in colleges, churches and elsewhere. This year, the National Conference will sponsor its third national Institute of Human Relations. To be held on the campus of Williams College during the last week of August, it will be devoted to the theme: "Citizenship and Religion: A Consideration of American Policy with Regard to the Relations of Church and Synagogue to the State."

A few weeks ago, the National Conference issued one of the most impressive of its pronouncements on inter-faith good-will, a plea for tolerance signed by 550 Protestant, Catholic and Jewish leaders.

Among the signers were such Protestants as Dr. Samuel McCrea Cavert, general secretary of the Federal Council of the Churches of Christ in America, Charles P. Taft of Cincinnati and President Henry S. Coffin of the Union Theological Seminary; such Jews as Dr. Cyrus Adler, president of the American

Jewish Committee, Rabbi David de Sola Pool, president of the Synagogue Council of America, and Robert P. Goldman, president of the Union of American Hebrew Congregations; such Catholics as the Most Reverend Joseph F. Rummel, Archbishop of New Orleans, John La Farge, Associate Editor of *America*, Jesuit weekly, and Monsignor Francis J. Haas, dean of the School of Social Science, Catholic University of America.

The authors of the statement were the three co-chairmen of the National Conference, Professor Arthur H. Compton of the University of Chicago, Nobel Prize winner in science; Roger W. Straus, prominent Jewish layman of New York, and Professor Carlton J. H. Hayes, well-known Catholic historian.

The text of the statement follows:

"The tragic events in other lands today, particularly in Europe, have had their repercussions in this country in the engendering of misunderstandings, hatred and hostilities among members of cultural and religious groups. In some instances these prejudices and cleavages have resulted from divided opinions over situations in other lands. In others, hatreds have been deliberately fomented against cultural groups by unscrupulous or misled individuals who are seeking to transplant to these shores the animosities prevalent in some countries abroad.

"We believe there is special need at this time that American citizens, whatever their differences of race or creed, should not permit legitimate differences of opinion as to political events or policies to create mutual suspicions or result in unfriendly relations among the groups that compose our common citizenship. We would also caution Americans against propaganda, oral or written, which seeks to turn any class or race or religious group against another.

"We condemn atheistic commu-

nism, which seeks to destroy religion and to pit class against class in ruinous social and economic warfare.

"We condemn the fascism and nazism which promote racial hatred, prostitute religion, destroy liberty and seek to make men the servile instruments of the state. We condemn the persecution of Catholics wherever such persecution may take place, and all propaganda which advocates such persecution.

"We condemn the persecution of Protestants, wherever such persecution may take place, and all propaganda which advocates such persecution.

"We condemn the persecution of Jews and unscrupulous propaganda directed at the Jewish group.

"We appeal to Christians to resist all these insidious forces and specifically all anti-Semitism since it is a denial not only of basic Christian principles but of every principle of justice, decency and humanity.

"Events abroad have shown us the tragic consequences of a propaganda of hatred: the murder of priests and nuns in Spain; the persecution and dispossession of Jews in Italy, Germany and its protectorates; the persecution of Protestants and Catholics in Germany and the alienation of church property; the creation of a huge class of refugees of all faiths uprooted from their homeland and, very often, from their loved ones....

"Consequently, at this critical period, it is incumbent upon Americans of every faith and creed to reject the propaganda of atheistic communism, of fascism and nazism, of anti-Catholicism, anti-Protestantism and anti-Semitism, and all other doctrines which promote dissension and conflict among groups.

"There is no place or occasion in the American democracy for prejudice and bitterness, whether racial or religious. The different races, religions and creeds in our American democracy must emphasize anew a mutual respect and hold fast to the ties which bind us together.

"We summon every American to re-dedicate himself to America's ideals of political liberty, religious freedom and equality under God. We call on every American to seek out his brother and join with him in common tasks of building a society based on good-will, justice and peace, so that we stand united as a bulwark of defense against doctrines which deny the validity of these ideals."



California Bound

HELEN F. BROWN

I. NORTH TO SAN FRANCISCO

“WHICH FAIR?”

That question is being debated in many an American home as spring gives way to summer. When the decision goes to the “Pageant of the Pacific,” the great variety of interesting sightseeing which may be done en route to, from and in California is usually an important consideration.

The lure of the West is manifold: snow-capped mountain peaks and magnificent beaches; relentlessly scorching desert and the dim grandeur of the redwood groves; dude ranches and the glitter of Hollywood; unequalled natural phenomena, such as the Grand Canyon of the Colorado and the geysers of Yellowstone National Park. These are sights with few equals elsewhere in the United States, or, indeed, in the world.

The traveler familiar with the West will find nothing new or startling in the following summary of outstanding places to visit. The effort has been to present a brief guide which will be of value to those of our readers who have never been West, or have been infrequently, but who are planning this summer to visit the Golden Gate International Exposition and wish to make the most of their trip by including as many as possible of the sights en route. CURRENT HISTORY'S Travel Bureau will gladly supply further details on places which hold a particular appeal for individual readers.

The western railroads, pioneers in catering to tourists, are out-doing themselves this summer, offering all types of circle tours and side trips to enable the traveler to see as varied a selection of interesting points as his time and purse will permit. Because of the tremendous distances in the West, rail travel is in some ways more advantageous than any other for the average vacationist, and a consultation with your local ticket

agent is advisable in planning any western trip. For the more leisurely tourist, however, automobile travel is less difficult than the mileage to be covered would indicate. The roads are excellent and built for speed. The native westerner, for instance, considers a 150-mile trip merely a matter of three or four hours, whereas in the more closely populated East such a trip is seldom possible in less than five hours. The traveler whose time is more limited than his pocketbook will wish to investigate the services of the great air networks, which will enable him to cover widely separated points of interest with the speed of the wind. There is, too, a special thrill in seeing from the air such great natural sights as the Rockies and the Grand Canyon.

IF you choose the northern route West, a side trip of great interest is that through Yellowstone National Park, which you may enter by way of the Red Lodge, Cody or Gardiner Gateways. Entering by one gateway and leaving by another is recommended as the way to “see most for your money.” The Red Lodge Highway is the newest and loftiest approach to Yellowstone, its highest point being 11,000 feet. Its switchbacks and panoramas remind one forcibly of the Alps. If you go by way of Cody, you may stop over for the “Cody Stampede,” which takes place over the Fourth of July—a real old-time western rodeo. At Cody also is the Buffalo Bill Museum with its historic relics of the Old West and Gertrude Vanderbilt Whitney's statue of Buffalo Bill. The country around Cody abounds in scenic beauty and offers dude-ranching, fishing and big-game hunting if you wish to linger for a taste of western living. The road from Cody into the Park has been called the “seventy most scenic miles in the world,” running as it does through Shoshone Cavern, past the Shoshone Dam and Reservoir, and along the Shoshone River, with

strange rock formations towering above the road.

The standard tour of Yellowstone Park lasts three and a half days and costs between \$42.50 and \$49 (depending on the entrance selected). This price includes transportation, meals and hotel accommodations (not providing for single room or room with bath). On this tour you will see the Rockies in all their unspoiled grandeur. In July most of the 750 varieties of wild flowers in the Park are in bloom; foaming mountain streams add to the beauty of the vistas from every road; and wild life is plentiful—elk, bear, buffalo and mountain sheep. The outstanding sights of this fascinating trip through the Park are the Yellowstone Lake, a “mountain sea” having a shore line of more than one hundred miles; the Mammoth Hot Springs with their strange “birthday-cake” formations; the Park's most magnificent sight, the Grand Canyon of the Yellowstone, with the Upper and Lower Falls of the Yellowstone River; and, of course, the king among the geysers, Old Faithful, which never disappoints the visitor, but sends up its tons of boiling water and steam every hour with the regularity of clockwork.

If you can spare the time, you will find a longer stay in the Park worthwhile. You may stop over in the comfortable and reasonably priced hotels and enjoy dancing, horseback riding, swimming, fishing and various interesting side trips to such points as Grasshopper Glacier, the Grand Teton National Park and Mount Washburn.

From Yellowstone you may turn south through Cheyenne to Denver. Just north of Denver is Rocky Mountain National Park, one of the finest of the national parks; just south is Colorado Springs, from which the Pike's Peak region may be explored. From Colorado Springs you may continue to San Francisco by way of Salt Lake City, of special interest as the center of the Mormon Church,



NORTH AND SOUTH OF THE GOLDEN GATE

and Reno, which, needless to say, is nationally known as a "divorce mill," but is of interest also because of its preservation of customs and traditions of the Old West. Between Reno and San Francisco, on the border between Nevada and California, is Lake Tahoe, one of the most unforgettably beautiful sights of a western trip, so sapphire are its waters, so incomparable its snow-capped lofty surroundings.

It would be regrettable, however, to miss the beautiful country and spectacular sights which lie along the northern route from Yellowstone to the Pacific Coast. Leaving Yellow-

stone, the route crosses the Continental Divide near Butte, Montana, and continues through the Montana Rockies to Spokane, Washington, the headquarters for vacations in a Rocky Mountain lakeland. There is daily sightseeing service from Spokane to the Grand Coulee Dam, under construction in the Columbia River Basin—an engineering spectacle to marvel at.

Continuing westward, you may change at Yakima to a Rainier Park motor coach which will take you to Tacoma or Seattle by way of Mount Rainier. This drive leads through the fertile Yakima Valley, where

are the seemingly endless orchards for which Washington is famous, then through big timber forests and over the Cascade Mountains to Sunrise Lodge, at the foot of "America's noblest mountain," snow-capped Rainier. You may pause here to enjoy sports of all kinds, or continue to Seattle, embarkation point for the wonders of the famous Inside Passage to Alaska. An interesting side trip from Seattle is that to Victoria and Vancouver, British Columbia, by steamer. Both Seattle and Tacoma make good headquarters from which to go sailing on Puget Sound, famous for salmon fishing, or

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go camping in Olympic National Park in the big timber country of the Olympic Peninsula.

Next stop en route to San Francisco is Portland, Oregon, "City of Roses," starting point of the celebrated Columbia River Highway and Mount Hood Loop Highway drives, and headquarters from which to visit the great Bonneville Dam. Oregon, like Washington, offers many mountain and forest resorts to tempt the leisurely traveler, but if your time is limited be sure to save a good share of it for the beauties of California and the wonders of the Southwest.

Between Portland and San Francisco you may have your first sight of the giant redwoods by making part of the trip by motor coach (a standard side trip, from Grants Pass to Eureka, which may be arranged through the railroad). Or you may prefer to go by way of Sacramento, California's capital, this year celebrating the Golden Empire Centennial. "Roaring Camp," a replica of an early mining town, complete with dance hall and miners, shows you how the pioneers lived and played, and there are to be pageants, parades and festivals throughout the summer.

II. AND TO THE SOUTH

Since San Francisco and its exposition, although the object of the trip discussed in this article, are nevertheless a separate subject, we pause only to remind our readers that San Francisco is the principal port for steamship lines leading to that idyllic outpost of America, Hawaii, as well as to the Orient and to Australia and New Zealand, whose summer begins as ours is ending. The charm of Hawaii needs no elaboration here; if time and funds permit, a Hawaiian holiday would be an unforgettable part of any traveler's summer.

On the mainland, having "done" San Francisco and the Fair, the tourist will doubtless turn south for his return trip, and he will be faced with a difficult decision: shall he follow the coast to Los Angeles, or turn inland to visit the beautiful Sierras and the big trees? This choice must be a matter of personal preference. Both routes are so interesting that it is impossible to recommend one rather than the other.

If you choose the inland route, you will certainly wish, first, to spend some time in Yosemite Park. The deep glacial gorge of the Yosemite

Valley, with its level green floor, is noted as a scenic wonder. Nearby is the Mariposa Grove of Big Trees where are some of the largest known examples of the giant redwoods, including the famous Wawona Tree through which you may drive in an automobile. The three-day Circle Tour of the Park covers the Valley Mariposa, and a trip to Glacier Point, more than 3,000 feet above the valley floor, from which there is a spectacular view which includes three waterfalls. The all-inclusive price of this standard tour varies with the accommodations selected, but is under \$40, and, should you wish to spend more time in the Park trying the fishing, swimming and other sports offered, you will find lodging at camp or hotel to suit your tastes and pocketbook.

South of Yosemite are General Grant National Park and Sequoia National Park, where the largest of the redwoods may be seen—the giant General Grant, 37.3 feet in diameter and 273.9 feet high.

Famous Death Valley, lowest spot on the continent, lies east of Sequoia National Park, but despite its historic and natural interest a visit to it is not recommended between April and October, since the summer temperature reaches 140 degrees in the shade! After visits to the parks, therefore, the traveler doubtless will continue to Los Angeles, through Bakersfield, center of the rich Kern County oil fields.

The alternative, coastal route to Los Angeles offers both scenic splendor and historic interest. The route, whether by train or automobile, follows closely *El Camino Real*, the "King's Highway," along which the early padres built their missions, a day's horseback journey apart. San Francisco de Assisi you no doubt will have visited during your stay in San Francisco; at San José is another, Santa Clara.

A side trip to the Monterey Peninsula is well worth the while of both sightseer and vacationist. The shoreline here is one of the most picturesque imaginable, with rugged, cypress-covered headlands sheltering the whitest of beaches. The famous resort of Del Monte offers the visitor unexcelled facilities for sports, including the renowned Pebble Beach Golf Course, while at Carmel is a quaint artists' colony and nearby is the historic town of Monterey, capital of California under three flags—

Spanish, Mexican and American. San Carlos Church at Monterey boasts a facade built in 1794.

The mission at San Luis Obispo, farther down the coast, is crowned by the first tile roof made in California (1790). It set the style for the other missions and thus for much of Southern California's architecture, which is nowhere better illustrated than in the charming city of Santa Barbara. Mission Santa Barbara is one of the best preserved of the missions. Another notable one is at San Buenaventura, the modern Ventura, twenty-five miles southeast of Santa Barbara.

And so, through the orange groves, into Los Angeles. What can one say about this sprawling, many-faceted City of the Angels? Mention its famous climate with sunny days and cool nights? Or its semi-tropical vegetation, so odd-looking in such a bustling metropolis? Or its beaches and mountains; exotic religions and that most exotic of industries, the motion pictures; or the outdoor symphony concerts at the Hollywood Bowl, and the observatory on Mount Wilson with the world's largest telescope? At any rate, whatever else you do in Los Angeles, be sure to view the city from one of the surrounding hills at night, when twinkling lights spread out in all directions as far as the eye can follow.

If Hollywood represents to you a major reason for visiting Los Angeles, you will wish to dance at the Cocoanut Grove or the Ambassador and lunch at the Brown Derby on Vine Street, favorite spots of the stars. A drive through the lovely suburb of Beverly Hills will give you glimpses of the homes of many of the famous stars, and if there happens to be a world premiere at one of the large theaters, you will have a chance to see Hollywood's great on parade. As for the studios, it is of course difficult to visit them unless you have an introduction of some kind.

Before you turn east from Los Angeles, be sure to visit San Diego, 126 miles south, the oldest (1769) and one of the loveliest cities in California, located as it is between the foothills and the blue waters of the bay. An ideal year-round climate has resulted in its development as an outstanding resort city. Here, too, is the United States Navy's Pacific base. Across the bay is Coronado, beautiful

seaside resort, and a short ride to the south will take you across the border to Tia Juana or Agua Caliente in Mexico.

You may go directly east from San Diego to Yuma, the route running by way of Tia Juana through the magnificent Carriso Gorge, or you may return to Los Angeles and reach Yuma by way of the famous resort of Palm Springs and the Imperial Valley, which irrigation from the waters of the Colorado has changed from a desert to one of the most productive regions in the world. At Yuma is a large Indian reservation. The picturesque Indians who live there meet all the trains to offer their handicraft for sale. The desert scenery of Arizona with its strange vegetation and strange and surprising colorings makes a sharp contrast to anything you will have seen thus far on your trip.

If you wish to visit the Grand Canyon however (and who does not?) you will leave Los Angeles via San Bernardino and Las Vegas, Nevada (a side trip here will enable you to visit the great Boulder Dam) for Williams, Arizona; the connecting point for the line to the Grand Canyon is here. Through cars make it possible to see the Canyon between morning and evening and then continue to Colorado Springs, but if time permits, a longer stopover is well worthwhile. The sightseer remembers always the thrill he experiences when he first stands on the rim of the "Big Ditch." The overwhelming grandeur of the sight, the stillness, the colors, cannot be approximated in words.

The horseback trip down to the Colorado River a mile below is not so hazardous as it appears, and affords an opportunity for closer study of the amazing geological formations laid bare in the centuries during which the river has toiled through the rock.

Between the Grand Canyon and Colorado Springs, difficult to reach by railroad but not to be overlooked if you are traveling by car, is Mesa Verde National Park, site of the largest and most interesting of the famed cliff-dwellings which date from about 1000-1300 B.C., and are fascinating relics of a vanished civilization on our continent. Southeast of the Grand Canyon, also accessible most readily by automobile, is the famous Petrified Forest.

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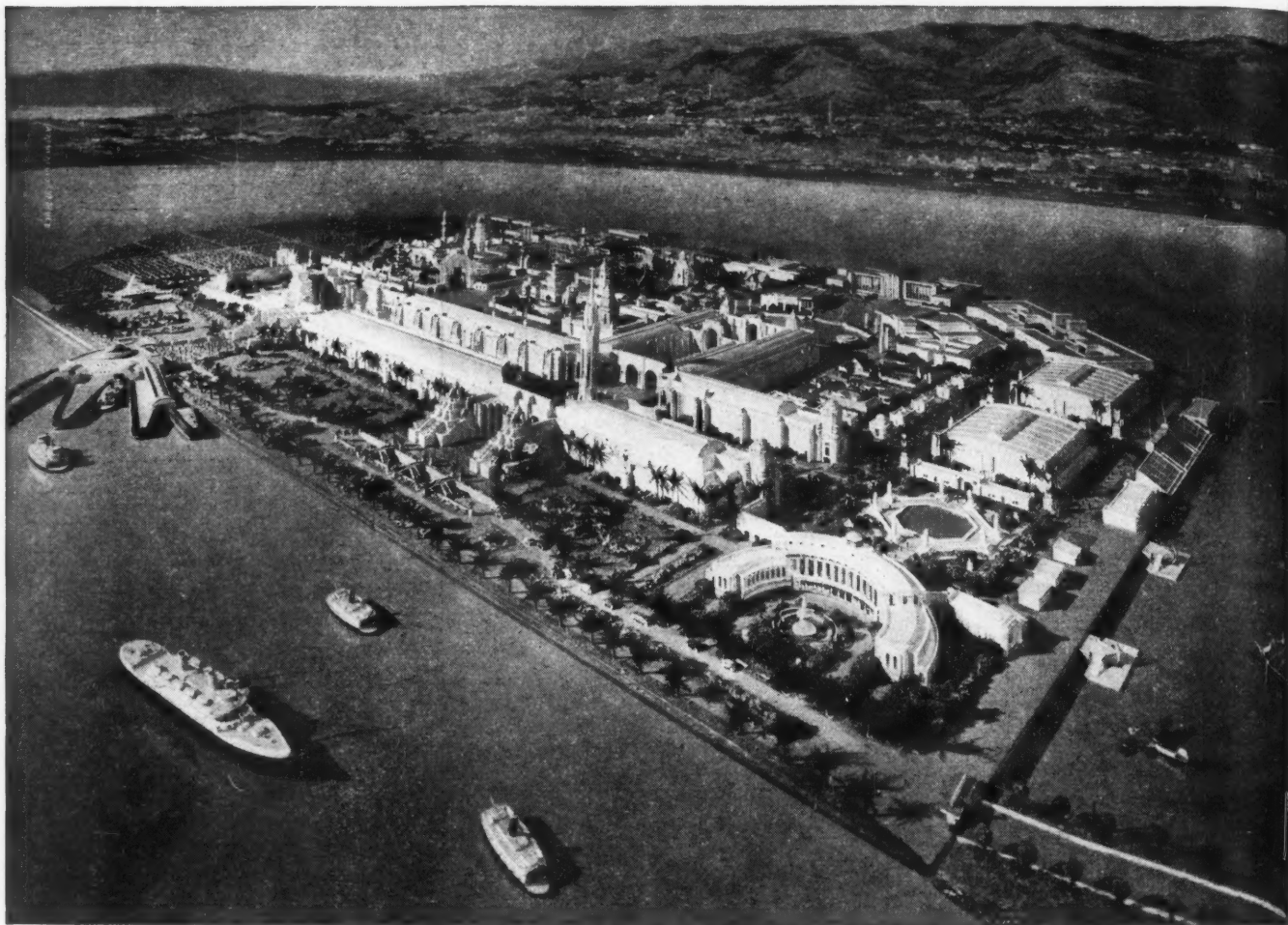
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This is Treasure Island, site of the Golden Gate International Exposition in San Francisco Bay. The elaborate model weighs more than a ton, is accurately built on a scale of 150 feet to the inch. In the background are the Berkeley hills and the famous Campanile of the University of California.

you may wish to prolong summer by spending more time in the Southwest. In that case you will swing south from the Grand Canyon to Phoenix and Tucson, which, owing to their clear, dry climates, have become extremely popular as winter resorts and offer splendid accommodations. Near Tucson is one of the loveliest and oldest (1699) of American missions, San Xavier del Bac. Besides having a charm all its own, Tucson is an advantageous stopping-point for those who wish to explore the famous Arizona dude-ranch territory.

From Tucson, Mexico City or Globe, the routes converge once more at El Paso. This thriving city has long been a popular tourist center. A convenient side trip here leads to Carlsbad Caverns, the largest and longest caves ever discovered, now a national park, and equipped with wide paths and skillful lighting, so that the beauty of the carved limestone formations may be adequately appreciated. This side trip may be made in one day and costs, including

transportation, guide fees, and luncheon underground at a unique cafeteria in the caverns, about \$10.

Just across the border from El Paso is Juarez, a picturesque Mexican city of thirty thousand. The central market place here seems piquantly foreign to American eyes, and nearby is the venerable mission "Our Lady of Guadalupe" (1659), with its 56-inch walls. Authentic Mexican dishes and a spirited night life in the famous cafés and cabarets are other attractions of Juarez to the tourist.

From El Paso you may return east by way of Kansas City, or you may cross west Texas to beautiful and interesting San Antonio, where you will wish to visit the Alamo and recall the days in March 1836 when 182 Texans heroically withstood an army of 4,000 Mexicans for eleven days and finally chose death rather than surrender.

This outline of the wonders of the West is necessarily sketchy;* nor do we claim that the routes it describes

are the only possible ones, or even the best ones for all travelers. For instance, instead of continuing west from Yellowstone, you may prefer to swing south through Colorado to the Grand Canyon, thence into Los Angeles and up, rather than down, the Pacific Coast, returning east by way of the Canadian Rockies, with perhaps a stop at beautiful Lake Louise or Banff.

*For information about San Francisco, as well as an appreciation of the unique atmosphere of this cosmopolitan city, an excellent book is Edwin Rosskam's *San Francisco: West Coast Metropolis* (Alliance Book Corporation). For information about Los Angeles you might well consult *Los Angeles, City of Dreams*, by Harry Carr (D. Appleton-Century).

Romantic Cities of California, by Hildgarde Hawthorne (D. Appleton-Century), deals with San Francisco as well as Los Angeles, San Diego and the other outstanding California cities.

Other books which the western traveler may find useful are *California Missions and Their Romances*, by Cora Older (Coward McCann); *Roaming American Playgrounds*, by John T. Faris (Farrar & Rinehart), which covers both Canada and the United States; *The Lure of Alaska*, by Harry A. Frank (Stokes), and, for details about the national parks, *National Parks of the Northwest*, by Martelle Trager (Dodd, Mead), and *Romance of the National Parks*, by Harlean James (Macmillan).

What's YOUR Opinion?

(Continued from page 35)

annals" of organized societies of enforcing idleness on a quarter of the population.

"Full employment requires full production. This, in turn, necessitates a sufficiency of effective demand for consumption and for the creation or destruction of capital, or both. War motives insure enough of this sort of demand. As a matter of fact, nineteenth century democracy was propelled by the warlike forces of imperial conquest of backward peoples and industrial exploitation of unorganized labor. Thus we got our territory from the Indians and Mexicans and thus our great fortunes were founded. War, again, may be of the twentieth century variety known as socialism, or class war between the Haves and the Have-nots. Any type of warfare or competition insures full employment if waged with the intensity a contest normally develops. The motivating force is the will to power, not the will to do good or to build a Utopia.

"The warfare of imperialist and capitalist greed was the democracy of the nineteenth century. The decline of this warfare is now generally lamented. It was benign as compared with the warfare of other periods. It was characterized by rising living standards due to invention, technology and rationalization of industry and commerce. These beneficent effects, however, were by-products and not motivating forces. Industry was expanded not for welfare but for profits, though an incidental result was welfare. Today industrial expansion would be technically easy and enormously productive of increased welfare for the people. But it does not take place simply because, under present conditions, it would not be profitable, in the good democratic, American sense of the word profitable. What tends most to make industrial expansion unprofitable is high taxation to support the present high level of social costs. Any attempt to reverse this trend meets with the opposition of political pressure groups and, if carried far, would give rise to violence by the unemployed and farmers who would be cut off the public payroll.

"Democracy put men to work during the nineteenth century because of

the activating forces of the frontier, the industrial revolution and a rate of population growth that doubled the number of bellies to fill and bodies to house, clothe and exploit five times within the brief space of 150 years between the American Revolution and the present Great Depression. During this short historical period, our population doubled on an average every thirty years, thus assuring a more or less continuous land boom. Given a continuance of prevailing trends, in another thirty years our population will have begun to decline. Rapid population increase, the frontier, the industrial revolution, easy wars on semi-civilized natives and easy exploitation of unorganized labor—all these essentials of a sound healthy democracy are over. Democracy, therefore, is fast becoming an extinct volcano, a magnificent monument but lifeless.

"Those to whom the democracies must look for initiative lack the motivations to fight or to venture. This means more Munichs, deficits, unemployment and stagnation. British imperialists prefer appeasement to profitless war. American capitalists prefer government 2½'s at 107 to business ventures.

"It is said that American business men have an aversion to business risks and a preference for government bonds because of a lack of confidence engendered by unbalanced budgets and monetary experiments. Like most orthodox explanations of the crisis, this is absurd. If American capitalists felt a lack of confidence in the public credit and currency, there would be a flight from instead of to paper government bonds and incontrovertible paper money. What there is a lack of confidence in, is the possibility of making a profit.

"The necessary motivations for full employment in any organized society spring from religion or war. The Incas of Peru maintained full employment without war by conditioning their people to respond appropriately to the dictates of an all-integrating, self-consistent and self-perpetuating religious cult. Our nineteenth century democracy was the cult of Mammon or individual self-interest. It was a type of warfare which had to find its necessary mo-

3 O'CLOCK

by Thomas Wolfe

The editors of the *North American Review* are proud to announce that in their summer issue, just off the press, they are privileged to publish, in advance of its appearance in book form, an important chapter from Thomas Wolfe's posthumous work, *The Web and the Rock*.

The same issue of the *North American Review* poses and answers a number of questions which are of outstanding interest to intelligent Americans:

Why and to what extent is the United States re-arming?

(Answered by David Popper, Research Associate of the Foreign Policy Association)

Why aren't there more women in politics?

(Answered by Grace Adams, well-known psychologist)

Why does the United States baffle foreign diplomats?

(Answered by Duncan Aikman, Washington journalist, and Blair Bolles)

How can dipsomania be cured?

(Answered by Herbert Ludwig Nossen, world-famous doctor)

The new summer issue of the *North American Review* contains, in addition, many other important features—penetrating articles, fine short stories by newly discovered authors, departments on books, music, drama and art.

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tivations in the conditions of the frontier, imperial conquest and industrial exploitation. The necessary geo-political conditions for that type of warfare have now all but disappeared. So the eternal struggle for existence takes on new patterns of conflict or competition. Business men and orthodox economists who deplore the decline of the competitive system should console themselves that another system of competition is in the making. Only they may find their skills of little use in this new type of competition. As ever, in the eternal circulation of the élite, the Have-nots or the Outs are the dynamic and emergent classes.

"Our New Dealers thought by reform and inspirational talks to end the economic stagnation of American democracy. Their failure has been implicit in their utter lack of the dynamic forces of religion and war. In vain does Mr. Roosevelt, in his obvious desperation, turn to war mongering against the dynamic foreign Have-nots. Aside from the apparent fact that this is the day of the Have-nots, there is the further and not wholly unapparent fact that, like Ferdinand, the foreign Haves: Messrs. Chamberlain, Daladier and Bonnet, do not want to fight.

"It is axiomatic that a Have can win nothing from a Have-not. Fighting German and Japanese Have-nots is not the same thing as fighting Indians or Africans who had no serious means of defense and rich booty to be seized by the conqueror. In appealing to the American Have-nots, Mr. Roosevelt, of course, chose the right audience. But for them he has no adequate ideology or emotional appeal. They want action, which is always obtainable, and not security, which is always unattainable and never more obviously so than right now. Nor do our Have-nots want democracy and liberty. (It is the Haves who want liberty and who talk wistfully about democracy, meaning the land booms and bull markets of the past.) What our Have-nots really want is discipline and leadership in some high adventure, which incidentally, would provide them with something to feel, something to do and something to eat. The New Deal is not high adventure but petty chiseling by minority pressure groups for Washington hand-outs.

"The new American frontier is on the Treasury steps. This is clearly the dying phase of American democ-

racy. The only possible realistic refutation of my thesis would be the success of democracy in putting the unemployed back to work. That, for reasons above stated, I predict will not happen."

Certainly this is a forcefully presented argument and is of itself a challenge to liberty-loving Americans to demonstrate the error of Mr. Dennis's conclusions.

Howard Coonley

Disagreeing with Mr. Dennis is Howard Coonley, president of the National Association of Manufacturers. "Democracy," he says, "most assuredly can put men back to work.

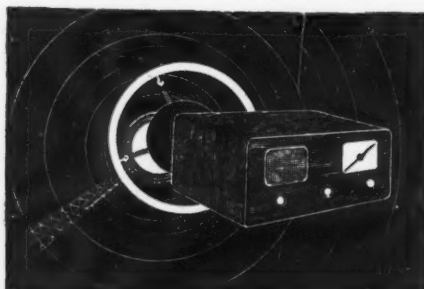
"The country today has far from reached its frontiers. With land, water, minerals, oil and other natural resources still abundant, our potential future is boundless. In 1,600 research laboratories, 30,000 engineers are working on the dreams of today which will become the realities of tomorrow.

"Private business will put men back to work when idle capital is released by offering investors a return commensurate with the risk involved.

"To my mind, the four principal deterrent factors which have caused investors to hold off are: failure of government and business to find a common ground upon which to cooperate for recovery; unsettled labor conditions caused by inequitable legislation; an excessive tax burden; and the failure of government to decrease its spending for the purpose of an ultimate budget balancing.

"To those who maintain that a permanent government work relief program is inevitable, I say that industry, not work relief, will provide jobs in the future when recovery comes. Work relief should be reduced gradually as private industry begins to absorb the unemployed.

"While dictators may have solved the problem of unemployment, they have not solved the problem of putting men back into satisfactory jobs.



"Satisfactory jobs" means jobs at adequate wages, and in no dictator state do wages approach those of United States workers in purchasing power of necessities and luxuries of life. Then, too, the economic policies of the dictator nations are driving them straight to the brink of financial disaster.

"By removing the obstacles that now block the path of American progress, we can give the green light to industry, put men back to work and still retain the essentials of democracy."

Here we are at the heart of the problem. Can free competitive enterprise put ten million men back to work, or must the government continue to be responsible for giving them jobs? The fascist nations say they have solved the problem, but look at the position in which they find themselves today. England claims to have solved it but with the biggest peacetime armament program in its history.

Winthrop W. Aldrich, chairman of the Chase National Bank, speaking before the Bond Club of New York, declared: "There is no question whatever that continual government spending, continual unbalanced budgets, continual deficit financing, will in any country, ultimately lead to such financial chaos that complete internal regimentation will be necessary; that, to accomplish this regimentation, self-containment and economic nationalism will become inevitable."

Editors, knowing of the public's interest in this topic, are running articles and editorials on it all over the country. *The New York Herald-Tribune* carries an article by Albert Einstein in which the celebrated mathematician discusses the situation in America in the light of his experience in Germany: "I am convinced that the danger of fascism in America can be eliminated only by effective measures against unemployment and economic insecurity. It is, of course, essential to combat fascist propaganda coming from abroad; yet it is equally important to avoid the fatal error of believing that the fascist danger can be checked by purely political means. . . .

"Any one interested in safeguarding civil liberty in this country must be prepared to tackle the problem of unemployment and to make the necessary sacrifices for its solution. He must ask himself whether it is

not worthwhile to yield a measure of economic freedom in return for individual and national security. The whole question cannot be considered from the point of view of party politics, since it concerns a danger that threatens all.

"The unemployed suffer not only because they lack vital necessities but also because they feel cast out from the community of men. . . . Even when a man has found work after an extended period of unemployment, he is far from being a free man. There is always the haunting fear of losing his job again. Actual unemployment and the specter of unemployment constantly looming before those still having jobs—these are the two factors that embitter men, and in their search for a way out of this economic vise men eagerly put their faith in anyone who promises them better conditions. It is from this source that the political danger of unemployment springs."

Raymond Clapper, liberal columnist of the Scripps-Howard newspapers, linked his reflections on the

subject with the recent visit of King George and Queen Elizabeth: "This King and Queen are here only as gentle, sentimental relics preserved from the vanished age of monarchs which disappeared when people found that kings were unable to provide them with tolerable freedom and conditions of life. Will democracy live to tell the tale unless it is able to provide these conditions? With courage and intelligence it can do the job. It has found the way to provide the freedom. It has yet to find the satisfactory conditions of life."

The time has come then, when we, the American people, must face the facts of our economic life with the same honesty and integrity that a good man of science carries with him when he steps into his laboratory. In presenting these divergent viewpoints on this highly controversial question, CURRENT HISTORY is attempting to assist its readers to arrive at such an attitude.

And now, in the light of the foregoing comments and the situation as you view it, What's YOUR Opinion?

Power Politics Over Palestine

(Continued from page 23)

spread her doctrines, embarked on a program of annual subsidies and specific subventions of over \$250,000 "to be used for fostering unrest among Transjordan and Palestinian Arabs"; in the terror since 1935, according to Mr. Noel-Baker's address in Parliament, "money, arms, officers, organizers, everything came from Italy and Germany. . . . In 1936 the Jerusalem police intercepted documents proving that the Arab raiders received £50,000 from Germany and £20,000 from Italy for the purpose of strengthening their resistance." But the enemies of England have thus played right into the hands of British imperialism. They have merely kept alive the "revolt by leave" whereby a thousand or fifteen hundred terrorists have been deliberately permitted to prove to the world that a Jewish state in Palestine is impossible. At the same time there has been instituted within Palestine and in England a series of violations of the mandate which would be incredible if they were not officially recorded.

Against this situation Parliament has raised its voice time and again in criticism and disapproval. "I should have had more respect for his

speech," said the leader of His Majesty's Opposition regarding Mr. MacDonald's presentation of the White Paper, "if he had frankly admitted that the Jews were to be sacrificed to the incompetence of the government in the matter . . . to be sacrificed to its apparent fear of, if not, indeed, its sympathy with, violence and these methods of murder and assassination—that the Jews must be sacrificed to the government's preoccupation with exclusively Imperialist rather than human considerations."

This criticism falls on deaf ears. The British government is today, more than ever, committed to power politics, whatever sacrifices this policy may demand from others or from its own people. At least one member of Chamberlain's Cabinet—and significantly it is the Secretary for Foreign Affairs—is reported by the newspapers to have said, "Ethical principles must give way to administrative necessity." To such a point of view accusations of "breach of faith," "repudiation," "appeasement," *et cetera*, have no validity. What is necessary is to prove that "administrative necessity" will be better served by a different policy. Colonel Wedgwood

Letters

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be a short time until Big Business would be dictating the policies of the government, which would be to the detriment of small business and labor.

It is my opinion a law drawing a line cannot possibly be good for both rich and poor, and therefore the government should make the laws and both sides abide by them. . . . C. H. COWLES

To the Editor: The co-operation we want from business is that it shall invest money. This it is now doing and always will to that extent that is profitable. Capital is not simply on a "sit-down-strike." As the Brookings Institution told the world in *Income and Economic Progress*, ". . . if new capital is to be constructed there must of necessity be an increasing flow of funds not only through investment channels but also through the channels of retail and wholesale trade." When the New Deal with its spending and lending program was putting funds through those channels, capital investment by private enterprise climbed from 3 billions of dollars in 1932 to 15 billions in 1937. But in 1937 the spending was cut down rapidly and by the second half the budget was practically balanced. As a result we had "the largest and fastest contraction in business activity ever recorded in any 6 months' period in our economic history" according to Mordecai Ezekiel.

If Harry Hopkins wants to "create an environment in which private investment is encouraged," he had better work for a revival of the spending-lending idea because business is not going to pick itself up by the bootstraps. And the old stimuli: new frontiers, increasing population, etc., are gone.

Whether Walter Lippmann admits it or not, it is "found from the study of our industrial history that the growth of capital is closely adjusted to and dependent upon an expanding demand for consumption goods." Business will co-operate (invest) when the Government pours funds into their hands through consumer purchasing power.

CHARLES L. DUXBURY

has suggested one means of proving that by advocating the open revolt of the Jews, and his proposal was echoed by a number of others. But he is also the author of another solution which may find increasing favor as efforts are made to reconcile the desperate need of the Jews with the demands of Britain's imperialist position. That solution is embodied in the phrase, the Seventh Dominion. It proposes that Palestine become a truly Jewish commonwealth but that it retain the same ties with England as do Canada, Australia and South Africa. The proposal has always been regarded favorably by a large and influential body of British and Jews who feel that Zionists have overlooked the one compromise which would prove the salvation of an unhappy people.

McCormick of the Times

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time she would like nothing better than to make the study of architecture a hobby. Years ago, when she lived in Ohio, she became one of the directors of a Dayton art museum, a post she still holds, although Ohio, her legal residence, has not seen her for a couple of years. Today in New York the Gotham, a quietly distinguished hotel, is the McCormick home.

Born in Yorkshire, educated in Ohio, associate editor of the *Catholic Universe Bulletin*, married to Francis J. McCormick—such in briefest outline had been the career of Anne O'Hare McCormick when she sent her first article to the *Times*. Soon her copy was receiving the gentlest sort of treatment from copyreaders, even though now and then someone itched to tone her down, for occasionally she appeared to gild her direct and simple prose.

"Able and unbiased," *The New York Herald-Tribune*, sponsor of Miss Dorothy Thompson, America's best known woman columnist, once called Mrs. McCormick's reporting. Both American and European journalists will testify to its ability. That it is unbiased, a reading of any of Mrs. McCormick's columns or dispatches will indicate. It is difficult to discover where she stands in the clashes of today's social and political philosophies. She tells the facts, forcefully, graphically, but lets them speak for themselves.

Occasionally she appears on a lecture platform, now and then on the air. But despite journalistic prominence—she won the Pulitzer Prize for European correspondence in 1937, the first woman to be awarded a major Pulitzer Prize in journalism—Mrs. McCormick has remained a modest figure. Her modesty showed itself clearly when she was cited as the "Woman of 1939." "I think the emphasis was on the year rather than on the person," she said. "A newspaper woman who specializes in international affairs is chosen for this award rather than a more distinguished representative of some other career, because in 1939 the interest of the world is focused on news. I have been moving around among thunderous events, and I have stolen some of the thunder."

Balkanizing America

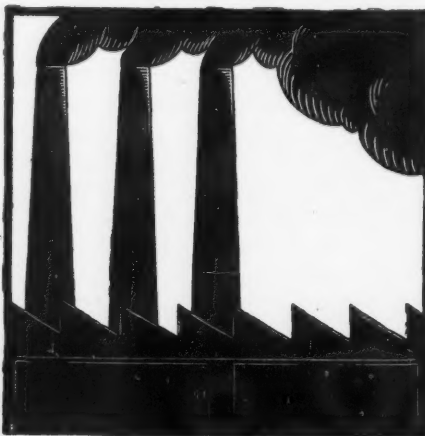
(Continued from page 19)

result of the economic breakdown that occurred in America between the close of the Revolutionary War in 1783 and the adoption of the Federal Constitution in 1789—a period when each state had full control of its trade relations with other states."

A ban on imports means a loss of exports—for states as well as countries. Isolation for Michigan would mean the loss of its automobile market in forty-seven states. Isolated cotton states, which already have lost much of their overseas market, would lose their market at home. Wheat states would have to curtail their crops. Texas, California, Oklahoma and Kansas could cap most of their oil wells. West Virginia, Kentucky, Illinois, Pennsylvania could shut up most of their coal mines.

The assault on our free-trade system made in the past ten years, it seems certain, will spur the federal government to attempt, through standardized legislation, to bring some order into the economic relations among the major subdivisions of our country. The Supreme Court recently invalidated a Florida inspection tax on out-of-state cement. And the state governments themselves may be beginning to see their own folly. Last April the governors of the forty-eight states, through the Council of State Governments, launched a national campaign aimed at leveling interstate barriers.

Under the Council's leadership thirty-seven states have set up commissions on interstate co-operation to develop programs for the gradual elimination of these barriers which, in the words of Secretary Wallace, are causing "large and unnecessary losses to the whole community."



Railroads in the Red

(Continued from page 26)

only plunges it further into debt. That is a temporary expediency to be used in the depths of an extraordinary depression but not as permanent policy.

Also, it should be noted that government loans are no help to the hardest-pressed railroads, because government is not in business to give money to the roads and what it loans must be backed by adequate security. If the money is not repaid, the security is forfeit. This means that on many of the government loans, if roads cannot recover lost business, their best assets are lost to the bondholders and stockholders if and when the R.F.C. cancels the government loans by disposing of the pledged collateral.

Expediting bankruptcy or reorganization proceedings for railroads—the so-called "through-the-wringer" method—appears to be the only form of relief which will actually relieve many over-capitalized railroads.

The railroads insistently ask for greater freedom in the management of their affairs, while the government continues to show a trend toward more centralization of authority over all business. At the same time they are advocating broader powers for I.C.C., so that competition may be strictly regulated.

New metals, new types of engineering, wide electrification, development of streamlined and light trains, faster schedules—all these indicate the railroads are prepared to serve the country more efficiently than ever before.

Railroads will continue, as long as competition exists, to improve their service and technique. And they will operate for generations to come. The question "how?" is unanswerable, but we can be sure an answer will be found. Among all the contending groups fighting for pet remedies none has yet suggested killing them.

The first step of "emergency relief" was taken with the authorization of R.F.C. loans. The second step, which may be started before Congress adjourns, might well be termed the "temporary" relief period. Permanent reorganization will be a matter of years, but people are beginning to realize that time must be a relative factor in ironing out major economic problems.